



MSW
Mid South West
Economic Engine

REGIONAL ECONOMIC STRATEGY

Drafting note: in this version it was necessary to compress pictures to make the file size suitable for distribution. Consequently, the resolution on some of the pictures/ maps is less clear than will be the case for future iterations of the document.

TABLE OF CONTENTS

Contents

1. INTRODUCTION.....	1
2. OUR REGION - THE 'ECONOMIC ENGINE' OF THE NI ECONOMY	2
2.1 WE CONTRIBUTE AROUND ONE FIFTH (£7.7BN) OF NI'S ENTIRE GVA... 3	
2.2 ...WITH STRENGTHS IN MANUFACTURING, ENGINEERING, AGRIFOOD, HEALTH & LIFE SCIENCES, TOURISM AND CONSTRUCTION... ..	4
2.3 ... AND SIGNIFICANT ACTIVITY IN ADVANCED MANUFACTURING... ..	5
2.4 ...AND WE ALSO HAVE AN ECONOMY AT FULL EMPLOYMENT.....	5
3. ISSUES TO CONSIDER IN GROWING OUR 'ECONOMIC ENGINE'	7
3.1 INTRODUCTION	7
3.2 PRODUCTIVITY LEVELS.....	7
3.3 CONNECTIVITY AND INFRASTRUCTURE.....	8
3.4 LABOUR AND SKILLS	11
3.5 LEVELS OF INNOVATION AND R&D.....	14
3.6 SMALL BUSINESS GROWTH.....	15
3.7 TOURISM PERFORMANCE	15
3.8 ALIGNMENT WITH ECONOMIC POLICY IMPERATIVES	17
4. OUR AMBITION: THE OUTLINE PROPOSITION	20
4.1 TO RAISE PRODUCTIVITY AND PROVIDE BETTER JOBS.....	20
4.2 FOUR INTERVENTION AREAS.....	20
4.3 'FUTURE PROOFING' THE SKILLS BASE	22
4.4 ENABLING INFRASTRUCTURE	25
4.5 BOOSTING INNOVATION AND DIGITAL CAPACITY	27
4.6 BUILDING A HIGH-PERFORMING TOURISM ECONOMY	31
5. CONCLUDING REMARKS	34
APPENDIX A: SECTORAL PRODUCTIVITY IN 2017	35

1. INTRODUCTION

This is a Regional Economic Strategy (RES) for the Mid-South West (MSW) region. It sets out the 'direction of travel' to date in relation to our vision and ambition for the region; it identifies the opportunities and challenges we face; and sets out the priority 'pillars' around which future investment and actions to realise our ambitions should be framed. Furthermore, it provides an early, high level indication of potential specific projects/interventions that may sit under each of these 'pillars' - which will be the subject to ongoing development during the completion of the RES.

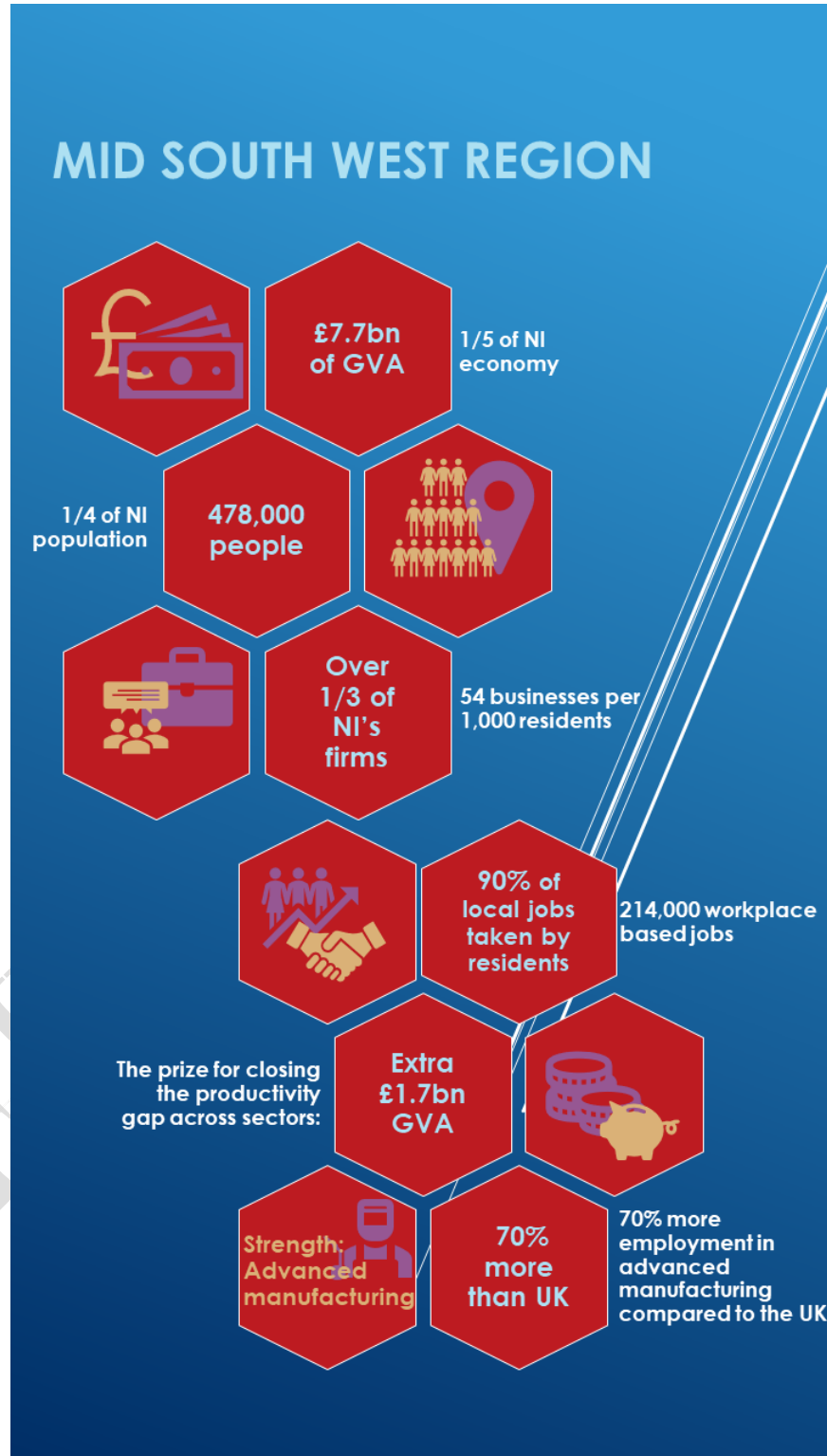
The RES will underpin the case for the Growth Deal funding for the MSW announced by the UK Government in October 2018¹ and referenced in the '*New Decade, New Approach*' Deal published in January 2020 by identifying the projects/ interventions most suited to maximising the potential of the Growth Deal funding. Importantly, our ambition to 'supercharge' the growth of our collective economy and ensure inclusive prosperity in MSW extends beyond the Growth Deal funding. Accordingly, a core assumption is that other resources/ funding sources and policy changes will come into effect to underpin the full realisation of the RES.

In developing the RES and in other work to date, we (i.e. the three Councils that make up MSW – Armagh City, Banbridge and Craigavon; Fermanagh and Omagh; and Mid Ulster) have led an extensive engagement process across the region. In effect this RES has been extensively shaped and directed by the industry/ business base within MSW, aligned to the fact that it is their commitment, drive and ambition that have contributed to the growth and success of our region to date and will be instrumental to realising our future potential. Recognising the distinctiveness of MSW as a private-sector led economy, we prioritised engagement with our largest businesses and membership bodies to understand the opportunities and challenges facing them and the interventions needed to unlock further growth in GVA and productivity for our region. In addition, we have consulted with elected officials, Government departments/ agencies, Invest NI, Skills Bodies, Higher and Further Education Institutions, and Universities to ensure buy in and input from key stakeholders across MSW and Northern Ireland.

All of our engagements have been informed through articulation of the 'evidence-base' of the current economy of MSW, future projections for the same and an assessment of 'what works' elsewhere in other regional economies (including via other City/ Growth deals) to tackle similar opportunities and challenges as those presenting in MSW. This evidence-base was compiled through an extensive analysis of socio-economic data and forecasts for MSW and a thorough review of existing strategies and interventions across the UK. Finally, an important consideration in developing the RES is the position of the three constituent local authorities in the MSW region along the Ireland/Northern Ireland Border Corridor - which presents opportunities, risks and issues to consider, particularly in a post-Brexit era.

¹ <https://www.armaghbanbridgecraigavon.gov.uk/growth-deal-funding-announcement-for-mid-south-west-region/>

2. OUR REGION - THE 'ECONOMIC ENGINE' OF THE NI ECONOMY



2.1 WE CONTRIBUTE AROUND ONE FIFTH (£7.7BN) OF NI'S ENTIRE GVA...

Our region consists of three District Council areas that make up almost half of Northern Ireland's (NI) land mass and which all border the Republic of Ireland.² One quarter of NI's population live in MSW (478,000 people), and in 2018 the 214,000 workplace-based jobs generated an estimated £7.7bn of GVA³ - corresponding to one fifth of NI's economy. The MSW region is also a functional economic geography with 90% of local jobs taken by residents.⁴

Our region is a highly entrepreneurial, private sector led economy. Over one third of the 75,000 NI firms are based in MSW, meaning there are 54 businesses in MSW per 1,000 residents—significantly higher than the NI average (40 businesses). The three District Council areas that make up our region rank 1, 2 and 3 amongst the 10 Council areas in NI for early-stage entrepreneurial activity (TEA)⁵. This converts into a ⁶business birth rate for MSW above the NI average (4 versus 3.6 respectively). Furthermore, business survival rates in MSW also outperform the NI average.



MSW is home to many world leading export businesses and as such is a globalised, outward and forward-looking region. This is evidenced by the fact that our businesses accounted for 22.6% of turnover in NI in 2018, 27% of NI exports and 31.1% of NI external sales. Further evidence of our outward and forward-looking ethos is the fact that our businesses have historically been very successful in attracting new labour and skills to our region.

This critical mass of economic activity has been achieved in spite of a deficit of investment in enabling infrastructure in MSW, demonstrating the resilience and determination of indigenous businesses in the region to succeed. Facilitating transport, promoting communication, providing access to land, energy and water are the bedrock of prosperity and well-being in any competitive economy. There are evident gaps in the MSW region in several aspects of this basic economic infrastructure, which if addressed could catalyse significant GVA and productivity growth.

² Consisting of the District Council Areas of Armagh City, Banbridge and Craigavon, Fermanagh and Omagh and Mid Ulster.

³ (in 2016 prices),

⁴ Ulster University Economic Policy Centre (UUEPC), "Mid, South & West Region of Northern Ireland: Economic Geography Baselines and Outlook", January 2019

⁵ Total Early-stage Entrepreneurial Activity (TEA) represents the percentage of the population aged 18-64 who are either nascent (in process of starting a business) or new entrepreneurs (running a business not older than 42 months)

⁶ Business starts per 1,000 residents

It is no surprise therefore that we have specialisms in the manufacturing of machinery and equipment and in the manufacturing of food products. For example, employment in the manufacture of machinery for mining, quarrying and construction sector is almost four times the size of the NI average. Indeed, three of six four-digit SIC⁹ sectors employing over 500 employees and with the highest Location Quotients (LQs)¹⁰ are in the manufacturing of machinery and equipment sector.

Our agri-food sector in MSW employs nearly 11,500 people. Within it, the processing and preserving of poultry meat sub-sector and the processing and preserving of meat sub-sector employ nearly 3,700 people (3.3 larger than the NI average) and over 2,000 people (2.4 times the NI average) respectively.

Our regional specialisms are even more pronounced when compared to UK. For example, employment in manufacturing of machinery for mining, quarrying and construction in MSW is over 22 times the UK average.

In addition, our region is a global leader in the niche market of the manufacture of tracked mobile stone crushing and gravel screening equipment. Around half¹¹ of the equipment in this market niche globally is manufactured in NI – indeed NI companies hold the top five positions in this niche market - with the capacity predominantly located in MSW.

In more recent years our region has started to experience the growth of emerging sectors. For instance, a recent study¹² within MSW indicated that in Armagh City, Banbridge and Craigavon Borough Council there is a particular strength in the Digital Tech sector – IT services, Computing and Advanced Electronics, Software and Communications. This report highlighted that the Digital GVA/ capita therein was 28% more than the NI average and Digital ICT wages 44% above the NI average.

70%

More employment in advanced manufacturing compared to the UK

The manufacturing of basic pharmaceutical products is nearly three times larger than the NI average and 15 times the UK average.

2.3 ... AND SIGNIFICANT ACTIVITY IN ADVANCED MANUFACTURING...

Our region also boasts significant levels of advanced manufacturing activity, with 70% more employment in high and medium tech manufacturing than the UK average.¹³ For example, employment in the manufacturing of basic pharmaceutical products is nearly three times larger than the NI average and 15 times the UK average.

In addition, 36% of employment in Invest NI supported businesses in MSW are classified as “Advanced engineering and manufacturing”¹⁴, while NISRA data shows that £121m was spent by our businesses on R&D in 2017 (one fifth of the NI total).

2.4 ...AND WE ALSO HAVE AN ECONOMY AT FULL EMPLOYMENT

Our economy is near or at full employment, with high levels of resident employment and relatively low levels of inactivity and unemployment. Broadly speaking, our region does not suffer from excessive

⁹ Standard Industrial Classification

¹⁰ Location Quotient (LQ) analysis compares the sectoral share of employment in one economy to the share in another (typically a larger region or nation). An LQ of 1 shows both economies have an identical share of employment in that sector. An LQ above 1 shows the smaller economy has a larger share of employment in that sector relative to the comparator economy. An LQ below 1 shows the smaller economy has a smaller share of total employment in that sector.

¹¹ Source: Invest NI

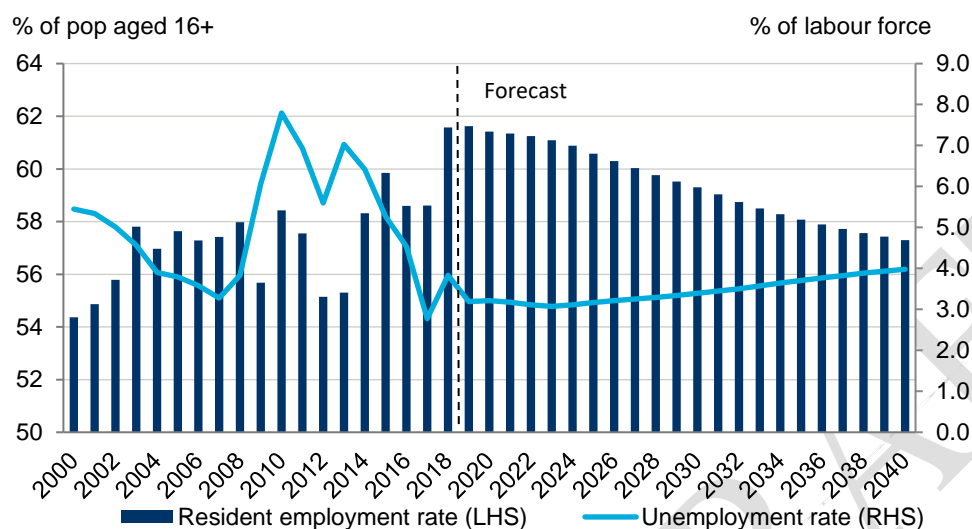
¹² Complementing, Advocating, Leading – Digital Strategy ABC Council January 2018.

¹³ We have used the OECD definition of high and medium tech manufacturing: https://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:High-tech_classification_of_manufacturing_industries

¹⁴ Invest NI “Western Regional Briefing”, July 2019. The document also shows that a further 34% of employment in supported businesses were in agri-food, 20% in construction and 7% in life and health sciences.

concentrations of deprivation, albeit that there are 'deep pockets' of deprivation in some localities, which would be within the top 10 percent of most deprived Super Output Areas (SOAs) in NI.

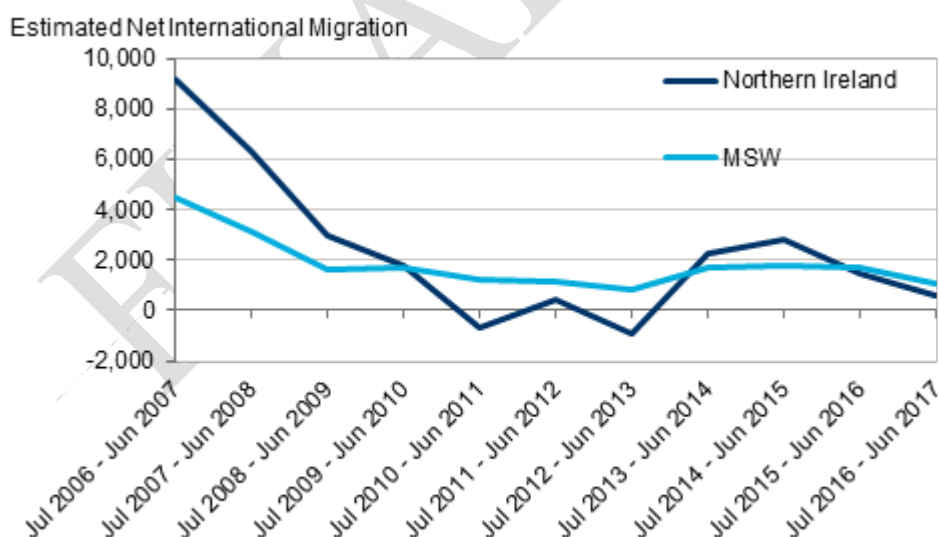
Fig. 3. Resident employment and unemployment rates, MSW, 2000 to 2040



Source: Oxford Economics

We also boast an above average share of residents aged under 16, which can support the future growth of our businesses and we have been very successful in attracting new labour to our economy. This has been supported by labour market opportunities, lower house prices and higher levels of housing affordability¹⁵, and relatively low levels of recorded crime.¹⁶ Indeed our region has consistently enjoyed net inward migration, even when NI as a region was losing people (per Fig 4 below).

Fig. 4. Estimated Net International Migration 2007-2017 – NI v MSW



Source: NISRA

¹⁵ The average house in MSW cost £123,900 in 2018, 7% less than the NI average of £133,000.

¹⁶ In 2017/18 there were 39 crime recorded per 1,000 residents, significantly below the NI rate (52 crimes per 1,000) and that of the Belfast City region (59 crimes per 1,000).

3. ISSUES TO CONSIDER IN GROWING OUR 'ECONOMIC ENGINE'

3.1 INTRODUCTION

Whilst our region as the 'economic engine' of NI, is highly successful in many respects, and we have many evident strengths to build upon, it is vital to understand the nature and scale of some of the remaining issues and challenges that we face. Our ambition and forward proposition as set out in Section 4 of this RES has been framed by research and extensive engagement on the key issues set out below.

3.2 PRODUCTIVITY LEVELS

As the 'economic engine' of NI, and with our evidenced strengths in advanced manufacturing we are in a prime position to drive wealth creation, exports and innovation. However, we currently suffer from low levels of productivity. In 2017¹⁷ MSW's productivity was an estimated £8,500 below the NI average. This was an issue across the economy with most 'broad' sectors (except for real estate and administrative & support activities) suffering from below average levels (see Appendix A). However, a number of manufacturing sub-sectors have consistently been strongly outperforming the NI average, including:

- The manufacture of basic metals;
- The manufacture of fabricated metal products, except machinery and equipment;
- The manufacture of computer, electronic and optical products;
- The manufacture of electrical equipment;
- The manufacture of machinery and equipment;
- The manufacture of motor vehicles, trailers and semi-trailers; and
- The manufacture of other transport equipment.

£1.7bn

The prize for closing the productivity gap across sectors

The equivalent of an additional £7,900 of GVA per job in MSW and 4.3% uplift to the NI economy

Addressing the productivity shortfall represents a massive opportunity for our region. Doing so would generate substantially more GVA and wealth for our businesses and our residents. For illustrative purposes, if our businesses had closed the 2017 productivity gap (where applicable) with the NI average, productivity would have been approximately £7,900 (22%) higher. This would, in 2017, have increased MSW's GVA by £1.7bn.

To put this in context NI's GVA was estimated to be nearly £39bn in 2017. Therefore, the increase in MSW's potential GVA contributions (by closing the sectoral productivity gaps, where appropriate) would have been the equivalent of a 4.3% uplift to the NI economy. In reality, the actual benefits to the NI economy would be higher again, as additional levels of GVA in MSW would have had additional supply chain and consumer spending impacts across the rest of the NI economy.

Linked to the above, the prevailing productivity gap feeds through to lower wage levels. In 2018 workplace-based wages in MSW were 6.2% below the NI average. Increasing productivity would enable our businesses to offer higher wage rates and subsequently attract greater numbers and higher skilled

¹⁷ The latest year which has published data at the time of writing.

individuals to the MSW. It would also help make our businesses even more competitive, supporting future growth and making the MSW region an even more attractive place to live.

Our engagement with the largest businesses in MSW and business representative bodies all reinforce the massive opportunity in this regard, provided that enabling interventions are in place and actions taken to address barriers and constraints holding them back.

A case in point is the pace of technological progress and increased use of automation, which presents both opportunities and challenges for our businesses. For example, there are opportunities to replace lower skilled and lower paid tasks within our leading manufacturing companies with robotics or cobotic solutions. These minimise the need for labour and speed up the manufacturing process by automating mundane and repetitive processes, thus driving up productivity. There are also opportunities to use 3D printing to speed up supply chains or pilot new products. Furthermore, data analytics can support the movement of products, or how robots work simultaneously within factories. Some of our businesses are already aware of aspects of the above potential and the FE/HE sector is increasingly working to skill¹⁸ up our local residents for this 'new world of work'. However, the expertise in this arena simply does not exist at the scale needed to drive material productivity improvements and our businesses can face barriers in terms of access to the mechanisms/ resources to test and try different approaches to automation to meet their specific needs. Whilst in the short-term greater adoption of technology and automation in manufacturing can be at the expense of lower paid jobs, it will over time create additional demand for higher skilled, higher paid roles in MSW - a key aspiration of our businesses and people.

Also, as set out previously and detailed further at Section 3.3 below, significant barriers exist to improving productivity in MSW because of gaps in several aspects of the basic economic infrastructure for a competitive economy. Facilitating transport, promoting communication, providing access to land, energy and water are the bedrock of prosperity and well-being in any competitive economy. With improved physical connectivity (to entry and exit points in NI and onto overseas markets) and enhanced digital connectivity with customers and suppliers from across the globe, our indigenous businesses in MSW will be in a much better position to realise significant gains in productivity and competitiveness. The potential that exists in this regard is strongly underlined by the fact that despite these constraints our businesses have demonstrated considerable resilience and determination to succeed. We are a highly entrepreneurial, private sector-led economy – the 'economic engine' of NI.

3.3 CONNECTIVITY AND INFRASTRUCTURE

As home to a third of NI's businesses and amongst them, many world leading export businesses, the MSW needs the infrastructure to move products to market quickly and maintain efficient supply chains. A high-quality transport network is of paramount importance.

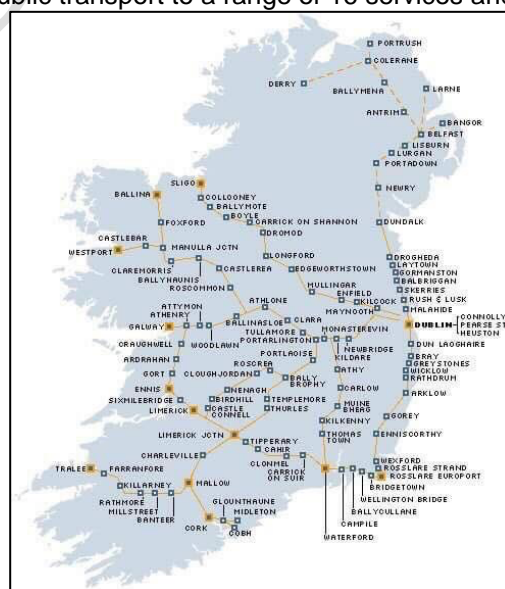
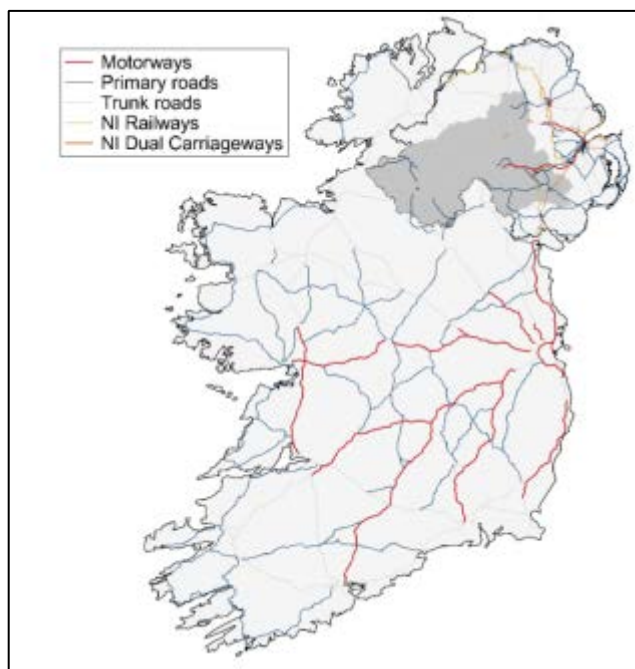
However, whilst MSW accounts for half of the land mass in NI the prevailing data from the Department for Infrastructure shows that motorway and A roads account for only 8% of our road network.

¹⁸ By way of example through the Higher-Level Apprenticeship/ Foundation Degree in Mechantronic Engineering offered by Southern Regional College and University of Ulster.

The adjacent map¹⁹ provides a stark illustration of this. It shows the coverage of motorways and dual carriageways on the island of Ireland, with an evident gap in coverage out to the West. There is almost no dual carriageway in the Fermanagh and Omagh District Council area - (600 metres only²⁰).

Dungannon and Cookstown have no bypass networks and as a consequence these major towns in our region and the road networks that surround them are regularly choked. These towns have been waiting for around 30 years for bypass networks. There is a similar need for bypass networks in Armagh and Enniskillen, through the East-West Link Road in Armagh and the Southern Relief Road in Enniskillen. All of the above schemes exist in concept and are at various stages of development, to be expedited through this RES. Our engagements indicate that industry has been forced to operate with substandard road networks in MSW for a long period of time with consequent constraints on the efficiency of their operations and associated productivity.

Further evidence of the serious gaps in our basic infrastructure in MSW is the fact that data shows that a high proportion (40%) of MSW's SOAs are ranked amongst the most deprived in NI for access to services. This indicator covers travel time by private and public transport to a range of 16 services and the proportion of properties with slow broadband²¹. It reflects that, while the railway network on the island of Ireland provides important links to Belfast and Dublin, it only services the far east of MSW. Indeed, even within the east of MSW there is a gap in connectivity arising from the closure of the Portadown to Armagh rail link in 1957. The adjacent map of the rail network in Ireland shows that the west of our region has a very striking and major gap in accessibility to rail services relative to the rest of the island economy (and expands on the first map above which only includes the NI rail network). This major gap in accessibility to rail in the west is as a result of the reshaping of British Railways/ the 'Beeching Axe' in the 1960's. In GB there has been increasing focus on this issue via a Conservative Party pledge to establish a Beeching Reversal Fund to restore services to many of the towns cut off from the rail through these actions in the 1960s. Whilst the scale of investment needed to address the lack of access to rail into the west of our region would be well in excess of potential available Growth Deal funds announced in October 2019, it is important to reference our longer-term ambition to consider a range of effective sustainable transport solutions to restore some of the connectivity that this rail network previously provided for our region.



¹⁹ Sourced from the The Detail Data.

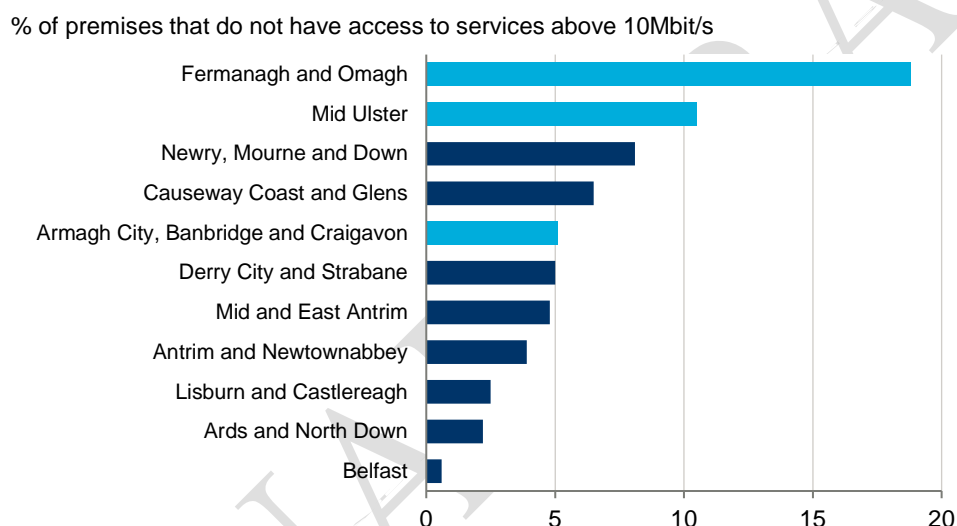
²⁰ Cherrymount Link Road outside Enniskillen town

²¹ The 2017 rankings show that over 40% its SOAs are ranked among NI's 20% most deprived in relation to access to services.

This is unlikely to entail restoration of the rail network as was (for both practical/logistical and affordability reasons) but will examine what effective sustainable transport solutions (e.g. light rail) could potentially be put in place to restore some of the connectivity that previously existed in MSW.

The access to services deprivation referenced above also reflects the fact that much of MSW has relatively poor access to higher capacity broadband service availability (ultrafast and full fibre). As a result, a high proportion of premises do not have access to higher speed connections (Fig 5), which is particularly evident in Fermanagh and Omagh and Mid-Ulster. This is reflected in average download speeds—the three MSW local economies appear in 4 worst performing NI councils by this measure. Our engagements indicate that many of the largest businesses in MSW have had to invest in their own ‘connectivity’ workaround solutions (e.g. high-speed broadband via satellite) again indicating their resilience to constraints and determination to succeed in the face of gaps in the basic economic infrastructure for competitiveness - infrastructure that is more readily available in other parts of NI. Our engagements however indicate that these constraints in digital connectivity remain a barrier to increasing productivity amongst smaller firms/ the SME economy in MSW. The largely rural nature of much of MSW requires almost positive investment onus on service providers in this respect.

Fig. 5. Percentage of premises that do not have access to broadband services above 10M.bit/s



Source: Ofcom

In addition to constraints in relation to physical and digital connectivity, our businesses tell us there is an urgent need for access to industrial land to facilitate their expansion in MSW. Mid-Ulster presently has no industrial land available for development. Industrial estates in Banbridge, Granville, Dungannon and Cookstown are at full capacity with no room to expand. However, there is industrial land in public ownership in MSW that could be made available to our indigenous businesses to support their immediate growth plans. There is also a lack of high-quality innovation space for our people to test new ideas and work in emerging sectors (including Digital Tech) and collaborate in research and development. Yet collaboration and the sharing of ideas, is a key ingredient for a successful knowledge economy.

There are also major utility infrastructure deficits in relation to the prevailing wastewater network capacity and state electricity supply in MSW. The deficit in relation to wastewater network capacity is most pronounced in Mid-Ulster but arguably increasingly more prevalent in other parts of MSW. This is a major constraint on housing development (impacting on the ability to attract labour from elsewhere to MSW) and on the development of serviced industrial land, to enable our businesses to expand. In

addition, there is a need for research on a policy agenda change in respect of the regeneration of our towns and rural areas.

Finally turning to state electricity supply, whilst the Tyrone to Cavan Interconnector (also known as the North South Interconnector) is planned it is unlikely to be in place in the short-term. It is urgently required to ensure that there is sufficient access to electricity to meet supply needs in NI. As things stand it is anticipated²² that the decommissioning of older electricity generating stations means that after 2021 demand will outstrip supply. As well as security of supply it should reduce the cost of electricity by allowing the transmission network to operate much more efficiently, playing a vital role in supporting economic growth and facilitating investment. It will also help facilitate the connection of more renewable energy to the grid – which is essential to achieve Government-led renewable energy targets and to increase energy independence. In the interim our businesses continue to be challenged by supply constraints and the costs of energy in our region and as such it is imperative that SONI/NIE have a positive commitment to invest in infrastructure west of the Bann.

Consequently, actions that we will take through the RES to improve our physical infrastructure and connectivity will have an immediate impact on our productivity and potential for growth, making the MSW a more attractive region to higher skilled individuals and for business investment.

3.4 LABOUR AND SKILLS

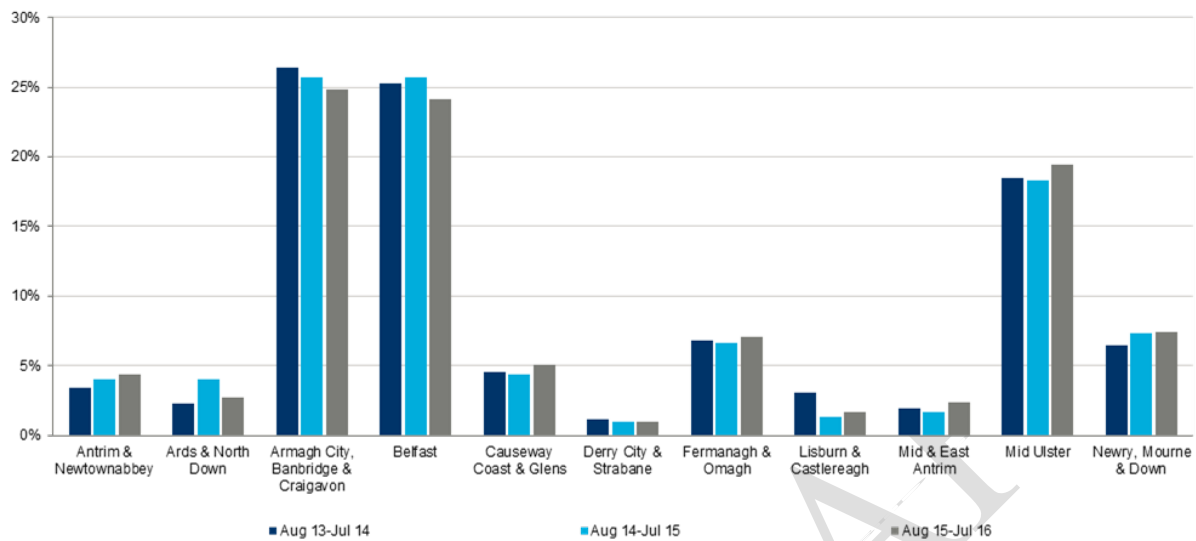
As set out in Section 1, 90% of local jobs in MSW are taken by our residents. However, our poor road network and shortfalls in accessibility to public transport (particularly by rail) can mean it is difficult for our people to access all of the employment opportunities in the region. A consistent message from our engagements is that journey times from one part of our region to the other are prohibitively long for many workers to consider changing their employment if career opportunities present themselves. In turn this has a negative impact on the ability to best match the skills of our population to the jobs available in MSW.

Our businesses have historically been very successful in attracting new labour to the region. As set out previously (Fig 4) our region has consistently enjoyed net inward migration, even when NI as a region was losing migrants. However, this has recently become more challenging as European labour markets have strengthened, Sterling has weakened and uncertainty has increased. Our ability to be able to continue to attract people from elsewhere is becoming increasingly important, given our tight labour market and ageing population. Government policy espoused to date on migration post Brexit, centred on a £30k salary threshold for all non-UK individuals working in the UK is likely to further exacerbate our labour and skills crisis in MSW. Our reliance in MSW on migrant labour as a core component of our 'economic engine' in recent years is well illustrated by Fig 6 overleaf, which charts the proportion of migrant workers by District Council areas in NI in rented housing. Outside Belfast the three MSW District Councils areas stand out, particularly ABC and Mid Ulster.

²² <http://www.soni.ltd.uk/the-grid/projects/tyrone-cavan/the-project/>

Fig. 6. Migrant Worker Tenant Households

Estimated number of Migrant Worker Current Tenant Households by Local Government District (August 2007 - July 2016)



Source: NISRA

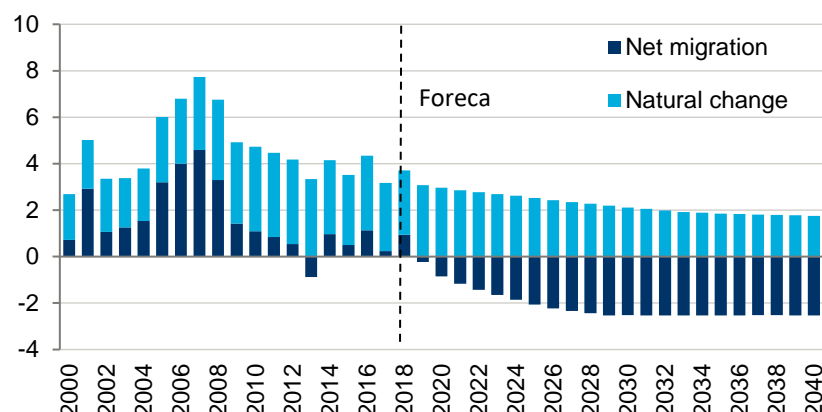
Over the last decade (2008-18) the population in MSW increased by 0.87% each year on average — relative to 0.56% and 0.72% across NI and the UK respectively. However, Oxford Economics' forecasts indicate that this trend of MSW outperforming the NI and UK positions will not last. Indeed, the forecasts suggest that our region will experience only a modest increase in population to 2040 i.e. a population rise to 481,000, only 3,000 higher than today (a 0.6% increase). This is notably weaker than the NI (3.5%) and UK (7.3%) equivalents over the same period to 2040.

The weaker outlook for population growth articulated above is driven by changes to both net migration and natural change. While both factors have been positive contributors to overall population growth in MSW over recent years, they are expected to change over the forecast horizon. Most importantly Oxford Economics expect a weaker outlook for net migration than previously experienced. This in part reflects the Government's desire to reduce migration numbers substantially and the nature of what a post-Brexit migration policy may look like. The fall in migrant numbers is critical as this group tend to be of working age and a greater share find employment compared to average for NI.

Per Fig 7 below natural change (births minus deaths) will maintain positive overall population growth in the short term in MSW before weakening and eventually being overpowered by net out migration, thereby leading to a contraction in the population level in the longer-term outlook.

Fig. 7. Components of population change, MSW, 2000 to 2040

Components of population change (y/y, 000s)



Source: ONS, Oxford Economics

The above trends will result in MSW's working age population falling by 26,000 by 2040. The number of MSW residents aged between 16 and 64 is forecast to fall by 0.42% annually over the forecast horizon—a relatively stronger rate of decline than that expected across NI (0.35%).

Fig. 8. Working age population change, MSW and comparators, 2008-2040

	Total population		Working age (16-64s)	
	Change (000s)	22 year % y/y	Change (000s)	22 year % y/y
MSW region	3.0	0.03%	-26.2	-0.42%
NI	66.5	0.16%	-87.1	-0.35%

Source: ONS, Oxford Economics

Drawing on all of the above it is imperative that MSW is able to continue to attract workers from outside the region. This means creating higher paid jobs, improving the quality of our schools, investing in our entertainment and our hospitality offering. At present too many of our jobs in MSW offer minimum wage or below average salaries.

It also points to the need for lobbying in relation to a differentiated migration policy for MSW post Brexit, that keeps our economy open to all levels of international talent otherwise businesses in many of our world leading sectors could be at risk. Whilst of course recognising that the right controls are in place to manage immigration effectively. The rationale for some regional autonomy/ flexibility is based on the economic contribution of our region to NI GVA and the predominance of manufacturing employment within it (as set out previously in Fig 1). In 2017 21.8% of NI's manufacturing employment in 2017 was taken by non-UK workers, a statistic which increases in some sub-sectors of manufacturing in which MSW excels such as food manufacturing. Data from DAERA and the LFS in the same year shows that EU26 migrants accounted for 40% of employees in food manufacturing.

If MSW is to close the productivity gap and grasp the opportunities of increased automation, our economy will become increasingly 'skills hungry'. Therefore, it is also imperative that we reshape our education policy to provide the skills that our businesses need, and continue to upskill many of our residents. At present, the proportion of our labour force that have no qualifications (16.7% compared to

8% in the UK) is too high while the share that have not progressed to NVQ 4+ or above (31.6% compared to 38.4% in the UK) is too low.²³

Importantly it is already recognised in our region that industry leadership is central to addressing prevailing labour and skills challenges. Initiatives such as Mid Ulster Skills Forum and ABC Local Works Forum have been established to bring a collaborative dynamic between local businesses, colleges/universities and industry sectoral bodies to address labour and skills challenges. Their 'blue-prints' for action recognise many of the prevailing challenges cited above and include a number of 'spade-ready' actions that can be scaled up/ expedited through this RES. These span actions to improve careers education, advice and guidance; actions to promote, inclusive and engaging workplaces to improve the image of priority MSW sectors; actions to develop leadership talent alongside technical and professional skills; and actions to increase the uptake and quality of modern apprenticeships (informed by actions in relation to apprenticeships implemented in other City/ Growth Deals across the UK).

These actions will need to be further developed and 'future-proofed' to enable a longer-term perspective on what the 'world of work' will look like in 10 years+ time, with associated skills implications – consistent with the OECD work underway via the Department for the Economy (DfE) in relation to the future skills needs of NI economy. Increasing application of Industry 4.0 innovation, use of data, and robotics/ cobotics in the workplace will over time increase the demand for higher-skilled roles in our businesses and help to increase wage levels/ attractiveness of employment therein.

3.5 LEVELS OF INNOVATION AND R&D

Despite our concentration of manufacturing businesses and above average concentration of activity in advanced manufacturing, we have a need to foster higher levels of innovation and R&D.

In 2017, business expenditure on R&D equalled £543 million in NI (71.4% of all R&D spend in NI).²⁴ MSW businesses accounted for £121 million or just over a fifth of the overall NI business total. As a result, MSW businesses spent on average just £4,900 on R&D in 2017—significantly lower than both the NI and Belfast city region averages (£7,600 and £10,100 respectively). Our challenge is to address this shortfall.

There are many opportunities to do so. Manufacturing businesses spent nearly £312m on R&D in NI in 2017 (57.5% of all BERD), and 57.3% of manufacturing R&D expenditure was made by engineering & allied industries, sectors of the economy where MSW excels. In addition, HMRC data for 2016-17 showed there were 215 successful claims for R&D tax relief by firms in Mid Ulster; the best performance of any NI Council area,²⁵ and at 3.49% of all enterprises in Mid Ulster, it was the highest of all UK counties.

Furthermore, our engagements provided much anecdotal evidence of product and process innovation in businesses, despite this not being reflected in formal R&D statistics for our region. There is a broad perception across the private sector that more could be done to encourage collaboration and knowledge sharing with respect to R&D/ innovation in our region.

As such, innovation and R&D activity needs to be formalised more within our businesses and designated as a strategic priority. Although our large base of small businesses will add to the scale of this innovation challenge, given demographic trends and the need to expedite productivity growth, higher levels of innovation and R&D spend are critical to the future performance of our economy.

²³ Data taken from the Annual Population Survey and refers to January to December 2017.

²⁴ <https://www.nisra.gov.uk/publications/archive-publications-rd>

²⁵ <https://www.belfasttelegraph.co.uk/business/northern-ireland/mid-ulster-firms-at-top-of-innovation-table-say-hmrc-38069474.html>

3.6 SMALL BUSINESS GROWTH

Finally, despite being the 'economic engine' of NI and a highly entrepreneurial economy with favourable survival rates, there is evidence that too many of our indigenous businesses fail to grow. Over 86% of local businesses have less than 10 employees compared to 83.9% in NI. In addition, over a third of MSW businesses have a turnover of less than £50,000 compared to a quarter across NI.

All of the aforementioned remaining challenges in MSW – underinvestment in transport infrastructure; shortfalls in digital connectivity; the lack of incubator, office and light industrial facilities; as well as shortage of labour / skills in more recent years – are contributing factors to the fact that too many of our indigenous businesses fail to grow. In addition, our engagements indicate that there is a requirement for different leadership skills in smaller businesses, and the large share of family owned businesses in MSW could be barriers to growth. There were also suggestions that insufficient technology adoption was hindering productivity, competitiveness and business growth more generally in the SME economy.

Therefore, a key ambition within the RES will be to enhance the leadership skills of our existing business owners and workforce, as well as provide support to our businesses with technology adoption for growth and development. Given the scale of our small business base in MSW the potential for growth is enormous.

3.7 TOURISM PERFORMANCE

Our region has particular competitive advantages in terms the quality of our tourism product. The Loughs and Lakes of Lough Erne in Co Fermanagh are a superb recreational and tourism resource and strongly differentiates our region from other destinations in Ireland and Northern Ireland. The Sperrins are a defined Area of Outstanding Natural Beauty (one of only eight in NI) and the cross-border Marble Arch Caves Global Geopark is designated by the Geopark Network and UNESCO.

Together with the landscape and mountains the tourism product in the western part of MSW is well defined in terms of attractions; rural heritage (forests, loughs and lakes, countryside, the Sperrins, the Geopark); outdoor activities; cruising; events and history and heritage. That said, there is further scope to position Omagh as more of a tourism destination in its own right, for instance through potential of the Ulster American Folk Park to be maximised as a hub of the 'genealogy/ connections' experience. Furthermore recent ²⁶research indicates that, despite its appeal, Tyrone & Sperrins is not recognised nor is it functioning optimally as a tourism destination/area in the eyes of the visitor.

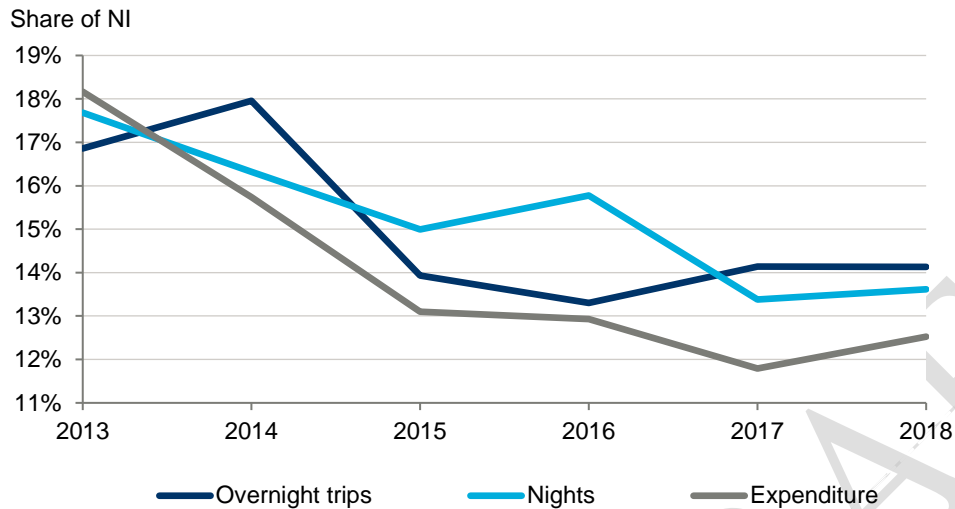
Further east in MSW is the distinctive charm of the majestic city of Armagh, a city that has a unique sense of place with a significance and influence felt across the island of Ireland for 6500 years and at the heart of celebrating the life of Saint Patrick. Visitor attractions include the historic Navan Fort, two Saint Patrick's Cathedrals, Georgian architecture and the Armagh Observatory and Planetarium. In addition to the latter in 2020 a new star gazing experience will also come to Mid Ulster, when a Dark Sky Observatory and Visitor Centre opens at Davagh Forest, near Cookstown.

The opportunity to further grow tourism in MSW, sits in the context of the strong growth in overall tourism activity in NI from 2013-2018. Between 2013 and 2018, overnight trips made in NI and the spend associated with these visits increased by 22% and 35% respectively. This growth however has largely been dominated by the NI tourism 'hotspots' of Titanic Belfast and the Causeway Coast. By contrast the performance of the tourism sector in MSW has lagged behind other parts of NI. Over the same five-year period, overnight trips to MSW are estimated to have increased by 2% and spend reportedly fell by 7%. As a result, the MSW region's share of NI overnight trips fell from 17% to 14% over this period (see Fig 9). Similarly, the MSW region's share of NI bed nights and total spend associated with these

²⁶ Tourism Development Strategy and Action Plan for Fermanagh and Omagh, 2016
[<https://www.fermanaghomagh.com/app/uploads/2016/05/Tourism-Dev-Strategy-Action-Plan.pdf>]

trips fell. Furthermore, the average overnight trip to MSW is estimated to have resulted in a visitor spend of £168 in 2018, over 10% less than the NI average.

Fig. 9. MSW share of tourism, 2013 to 2018



Source: NISRA

All of the above indicates that despite the evident strengths of the tourism product in MSW, structural barriers to growth exist. Indeed, Tourism NI research confirms that the main barriers to Out of State tourism growth in MSW include the physical accessibility of the region, information and signposting and digital connectivity. Therefore, actions taken to address the deficits in our basic economic infrastructure in MSW will also help to expedite the growth of our tourism sector.

There is also evidence of under provision of hotel accommodation in MSW. In 2018, accommodation in MSW accounted for 11.3% of all rooms and 13.2% of all beds. However, our region only had 9.6% of all hotel rooms in NI and only 10.4% of hotel beds, compared to nearly one quarter of rooms and beds in Guesthouses and Guest accommodation. Furthermore, NISRA data from 2013 shows that our share of NI accommodation has been falling. Indeed, the number of hotel beds and hotel rooms was lower in 2018 in MSW than in 2013. Accordingly, we recognise the need to stimulate investment in tourist related infrastructure including supporting more hotel and accommodation provision, in key locations in MSW where are evident gaps – to underpin our future ambitions for the tourism sector.

The proximity of the west of our region to the Wild Atlantic Way, a tourism trail that straddles the west coast of Ireland from County Donegal's Inishowen Peninsula in to Kinsale, County Cork, on the Celtic Sea coast presents a key opportunity. Connecting our tourism product in the West to the discovery points and attractions along the Wild Atlantic Way will position us to benefit from and contribute to the out-of-state visitor market active on the trail. We will also promote longer term investments in cross-border assets such as the reopening of the Ulster Canal as a strategic tourism opportunity. The original route of the Ulster Canal, links the lowlands around Lough Neagh with the Erne Basin and the River Shannon system. The route traverses all three Council areas in MSW and is the 'backbone' of the historic inland waterway network in Ireland.

Our region will soon be home to the Game of Thrones Legacy project in Banbridge at the site of the Linen Mill Studios. This commitment by HBO and the world-renowned Game of Thrones brand to our region²⁷ with offers a fantastic opportunity to attract out-of-state visitors to MSW and to help rebalance the visitor economy in NI which, as noted above, in recent years has been dominated by Titanic Belfast and the Causeway Coast. A major tourist attraction such as this has significant potential for job creation and the local economies of MSW. The total investment in the project is expected to be around £23.7m and it is expected to employ up to 200 people and provide a



£400 million tourist spend boost for the NI economy by 2030.

3.8 ALIGNMENT WITH ECONOMIC POLICY IMPERATIVES

Our ambition within this RES sits within a wider policy landscape and aligns with the UK Industrial Strategy, the Northern Ireland Programme for Government Framework 2016 to 2021, and the Northern Ireland Economic Strategy – each of which is considered below. These have all been guiding reference frameworks as we have sought to consider and prioritise the issues and opportunities for the MSW in this RES.

The RES will contribute towards the UK Industrial Strategy 5 Foundations (per adjacent schematic) which are focussed on improving productivity. Indeed, the proposed four pillars/ intervention areas of the RES (set out in Section 4) are closely aligned with the UK Industrial Strategy five foundations above. The UK Industrial Strategy recognises that while the UK economy has significant strengths, “the UK has greater disparities in regional productivity than other European Countries,” and “many places are not fulfilling their full potential.” The UK Strategy therefore places a strong emphasis on the development of local industrial strategies that will be, “long term, based on clear evidence and aligned to the national industrial strategy”. This is entirely consistent with our ambition and approach to developing the RES for MSW.



A particular feature of the UK Industrial Strategy is the establishment of four ‘grand challenges’ to put the UK at the forefront of the industries of the future. These are:

- AI & Data Economy- putting the UK at the forefront of the artificial intelligence and data revolution;
- Clean Growth- maximising the advantages for UK industry from the global shift to clean growth;
- Future of Mobility- becoming a world leader in the way people, goods and services move; and

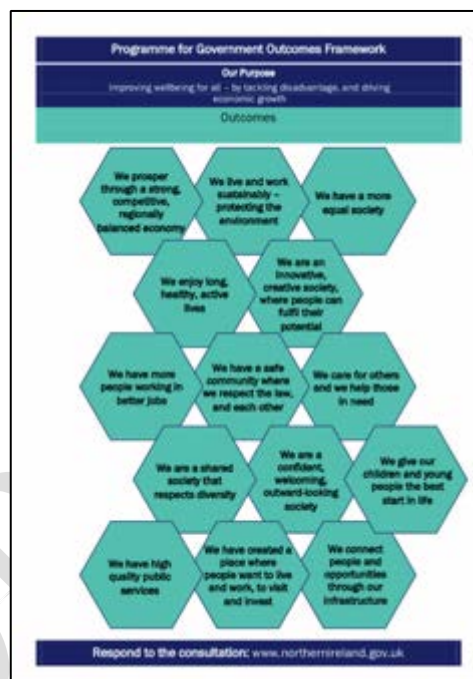
²⁷ In conjunction with John Hogg and Company owners of the Linen Mill Studios

- Ageing Society- harnessing the power of innovation to help meet the needs of an ageing society.

Our region already has world class companies working in all of the above areas and as such there is an opportunity to build on these strengths, by supporting companies to innovate and grow by removing the prevailing barriers to growth.

The overall aim of the draft Programme for Government (PfG) Framework is, *“Improving wellbeing for all – by tackling disadvantage, and driving economic growth”*. Our RES will contribute to a wide range of PfG outcome areas including but not limited to:

- We are an innovative, creative society, where people can fulfil their potential;
- We connect people and opportunities through our infrastructure;
- We prosper through a strong, competitive, regionally balanced economy;
- We have created a place where people want to live and work, to visit and invest;
- We have more people working in better jobs; and
- We have a more equal society.



The aim of the Draft Industrial Strategy for Northern Ireland Economy 2030 is to improve the competitiveness of the NI economy. It outlines priority pillars of:

- Accelerating Innovation and Research;
- Enhancing Education, Skills and Employability;
- Driving Inclusive, Sustainable Growth;
- Succeeding in Global Markets; and
- Building the best Economic Infrastructure.

It recognises the key sectors of the economy where Northern Ireland has world class capabilities as the following:

- Financial, business and professional services;
- Digital and creative technologies;
- Advanced manufacturing, materials and engineering;
- Life and Health Sciences;
- Agri-food; and
- Construction and materials handling.

Our region already excels at the NI level in the last four of the above sectors and has a strong presence that can be further developed in the others. Accordingly, the targeted actions and investments to expedite gains in GVA and productivity in all of the above sectors that we will prioritise through the RES (introduced in Section 4) will make a major contribution to delivering on the aims of the draft Industrial Strategy and contribute to improving the overall competitiveness of Northern Ireland.

Finally, our ambition is also consistent with the economic imperatives of the '*New Decade, New Approach*' Deal published on January 10th 2020 to underpin the restoration of the NI Executive. The text box below sets out some of the relevant economic priorities in the Deal that are wholly aligned to our ambition and many of the areas for intervention/ project concepts set out in Section 4.

Examples of Economic Priorities - '*New Decade, New Approach*' Deal (January 2020)

- Investing for the future to ensure Northern Ireland is equipped to harness opportunities and drive sustainable productivity, including opportunities for future trade as we leave the EU.
- A top priority of the Executive will be to develop a regionally-balanced economy with opportunities for all.
- Investing strategically in ensuring that NI has the right mix of skills for a thriving economy.
- Driving the delivery of essential infrastructure projects to boost the economyin order to build a Northern Ireland that is equipped for a prosperous shared future.
- Investing urgently in wastewater infrastructure which is at or nearing capacity in many places across Northern Ireland, including in Belfast, limiting growth.
- In support of both economic and educational objectives, the Executive will develop an enhanced approach to careers advice, curriculum, training and apprenticeships to enhance employability and support economic growth.

The Deal also commits to make it a priority to realise the economic potential offered by the City/Growth Deals in NI, which will be one component of the resources to deliver our RES ambitions. It states that "the Executive will work with the UK Government to develop and deliver the Growth Deals for Mid South West and Causeway Coast and Glens".

4. OUR AMBITION: THE OUTLINE PROPOSITION

4.1 TO RAISE PRODUCTIVITY AND PROVIDE BETTER JOBS

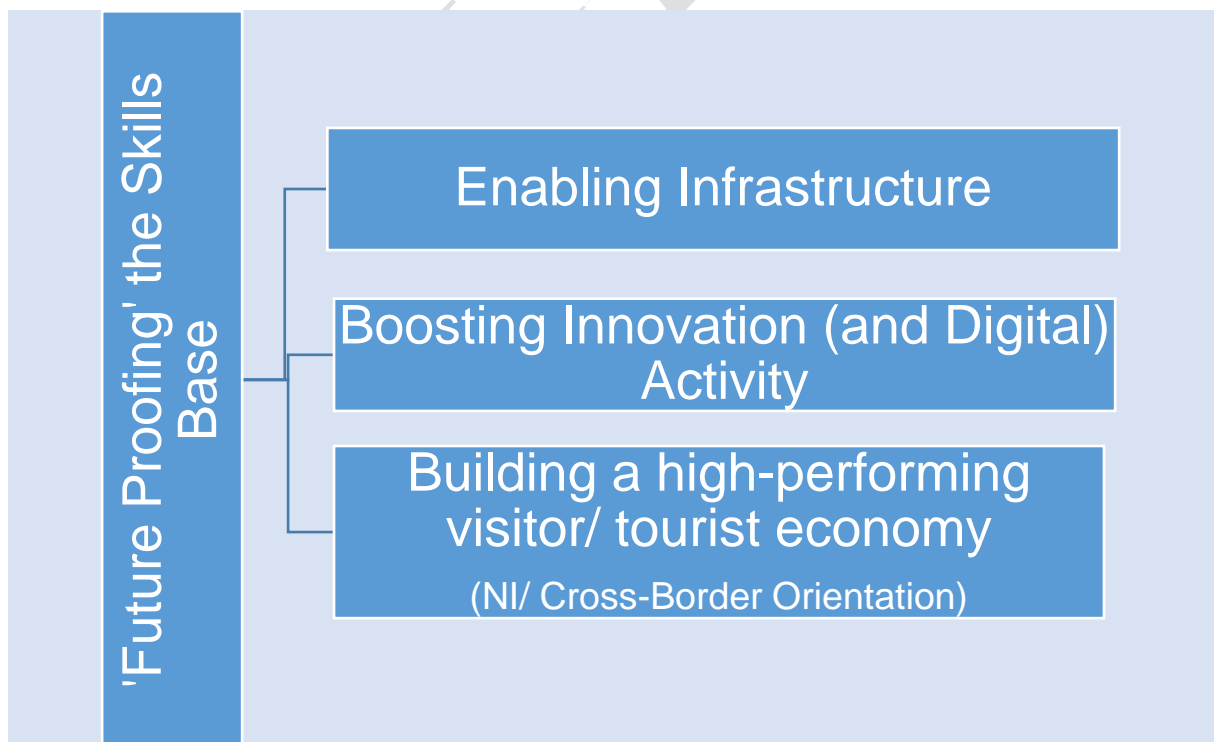
Our headline ambition within the RES will be to raise productivity levels and in so doing create better paid jobs for our residents and close the productivity gap between MSW and the rest of NI. Closing sectoral productivity gaps in MSW has the potential to be equivalent to a 4.3% uplift of the NI economy. In reality, the actual benefits to the NI economy would be higher again, as additional levels of GVA in MSW would have had additional supply chain and consumer spending impacts across the rest of the NI economy.

To achieve this headline ambition, we will prioritise a range of projects and actions across four interconnected intervention themes outlined in Figure 10 below to 'supercharge' the growth of our collective economy and ensure inclusive prosperity for MSW. The exponential growth of our dynamic private-sector led economy that results from these interventions will cement the reputation of MSW as the 'economic engine' for NI and a region that is world renowned for business excellence.

4.2 FOUR INTERVENTION AREAS

The development of our RES is structured around four main intervention areas / 'pillars' that will interplay and reinforce each other (Fig 10 below).

Fig. 10. Four intervention areas



These 'pillars' are geared to delivering exponential / long term benefits including:

- Increasing productivity levels (closing the productivity 'gap')

- Driving business growth;
- Protecting MSW's unique sectoral advantages (as a minimum) and thereafter fully realising sectoral opportunities;
- Creating more, better paid jobs; and
- Ongoing internationalisation of MSW (and better internal NI profiling).

Through our engagements with the business community of MSW and senior stakeholders a range of project areas / concepts were generated for consideration and further development. It is important to note that the feasibility and affordability of each is not yet tested, therefore what is included in Sections 4.3-4.6 as examples under each of the intervention areas may be subject to change. The next stage of development work on these project ideas/ concepts will also help to refine the economic targets for each - which aggregated together will quantify the scale of our collective vision (e.g. GVA/productivity /job growth etc) for the MSW region as a whole.

It is important to reiterate that our ambition must be framed in the commitment of a Programme for Government (2016-21) outcome of seeking to '*prosper through a strong, competitive and regionally-balanced economy*' referenced previously in Section 3. Furthermore, the '*New Decade, New Approach*' Deal published on January 10th 2020 to underpin the restoration of the NI Executive highlights that a '*top priority of the Executive will be to develop a regionally-balanced economy with opportunities for all*'.

Our region thus far has not sufficiently experienced the benefits of policy to 'regionally-balance' the NI economy. As noted in Section 1, our success as the 'economic engine' of the NI economy, has been achieved in spite of a deficit of investment in enabling infrastructure in MSW, demonstrating the resilience and determination of our indigenous businesses to succeed. Accordingly, as a region where FDI has not played a major role to date, we need to ensure, looking ahead, that our indigenous business champions receive sectoral support and focus through the actions of this RES to further grow nationally and internationally.

Furthermore, significant cross-border dependencies exist in our region (having the largest proportion of the Border Corridor relative to the other City/Growth deal regions in NI). Evidence from successive reports and studies²⁸ all highlight that the impact of Brexit will fall disproportionately on the Border Region and within that on a number of sectors such as indigenous SMEs which are predominant along the Border Corridor.

We have aimed in this RES to ensure that our four main intervention areas/ 'pillars' included in Figure 10 above will drive forward growth and, as such, have the potential to provide a targeted, 'action-learning' response to the challenges of Brexit. That said significant uncertainties and risks remain and a poorly managed Brexit could mean that our economic outcomes may fall behind. Therefore, our interventions in the RES must work in tandem with efforts by the British and Irish Governments to drive economic activity in the Border Corridor and ensure that businesses have additional support in mitigating the impact of Brexit. A key example of which is the ²⁹economic stimulus package recently announced by the Minister for Business, Enterprise and Innovation in Ireland for the Southern Border counties i.e. Donegal, Sligo, Leitrim, Cavan, Monaghan and Louth profiled below.

²⁸ Brexit and the Border Corridor on the Island of Ireland: Risks, Opportunities and Issues to Consider, October 2017 authored by Dr Eoin Magennis, Andrew Park and Laura Heery and co-ordinated via East Border Region

²⁹ <https://dbei.gov.ie/en/News-And-Events/Department-News/2020/January/03012020a.html>

Border Economic Stimulus Package - (Department for Business, Enterprise and Innovation in Ireland - announced January 2020)

- €3 million for the six Local Enterprise Offices (LEOs) in the border counties for capability development programmes for micro and small firms with ambition;
- An €8.5 million Brexit Transformation Fund to enable firms to transform their businesses and diversify markets;
- €1.5 million for Industry Fellowships targeted at businesses located in Border counties, administered by Science Foundation Ireland (SFI); and
- A €15 million competitive Border Enterprise Development Fund, administered by Enterprise Ireland (EI).
- To help stakeholders investigate the viability of potential projects and prepare final submissions for consideration for the €15m Border Enterprise Development Fund, Competitive Feasibility Funding is also available. This will be a grant of €15,000 or 50% of eligible costs, whichever is lesser, available to eligible applicants.
- The Minister also announced that as part of the next phase of the IDA's Regional Property Programme, three new Advanced Technology Buildings will be built in Dundalk, Monaghan and Sligo in 2020. These buildings will be critical as the IDA seek to attract more Foreign Direct Investment to the Border region.

Our counterparts in the North-West in their ³⁰City Deal proposition document in recognising that the existence of international border post-Brexit raised many issues about the delivery and impact of their Inclusive Strategic Growth Plan highlighted the need for a NW Enterprise Zone focused on the innovation sectors within their bid proposal and to mitigate the challenges and exploit the opportunities arising from Brexit. We are fully supportive of this thinking and would contend that the entire Border Corridor (of which the MSW region is the majority part in NI) should have the status of a special development/ enterprise zone. This would ensure that bespoke, targeted initiatives will be in place to deliver maximum impact for the Border region as a whole via effectively adapting to the challenges and opportunities that the UK's exit from the EU will bring.

Reflecting on all of the above we reiterate that our ambition must sit within a regional approach to economic growth - rebalancing across NI - and an approach that also recognises the particular considerations that our positioning on the Border Corridor brings.

4.3 'FUTURE PROOFING' THE SKILLS BASE

Future proofing the skills base in MSW emerged as the top priority from our engagements and is aligned with the findings from the socio-economic analysis that skills and access to labour are both a major current and future constraint to growth and competitiveness in MSW.

Given that our economy is near or at full employment, there is a need to intervene with actions to ensure that the requisite skills for the future are there in scale and profile (by sector and by levels) to underpin our region's ambitions. Interventions in this area must be strongly aligned to the 'innovation pillar' within the RES in that interventions to embed technology and automation in the workplace (e.g. robotics/

³⁰ Delivering Inclusive Growth City Deal for the Derry~Londonderry City Region VISION & OUTLINE BID PROPOSAL September 2018

cobotics, application of AI, data analytics, Industry 4.0 innovation much of which is in its infancy currently) will fundamentally change the skills needed within the workplace of the future.

We are in a strong position to expedite projects/ actions in this theme through the industry-led structures that are already established in our region – the Mid Ulster Skills Forum and the ABC Local Works Forum – which have been established to bring a collaborative dynamic between local businesses, colleges/universities and industry sectoral bodies to address prevailing labour and skills challenges. Structures such as these and the Manufacturing & Engineering Growth & Advancement (MEGA) will provide key governance structures for advancing skills focussed interventions in the MSW.

The table below sets out potential actions/ project concepts for further development and prioritisation. The first four are largely centred on policy changes that would align better with MSW needs – in effect offering MSW a degree of regional autonomy.

Access to labour/ lobbying for a differentiated migration policy/ regional autonomy for MSW post Brexit	<ul style="list-style-type: none"> ▪ Lobbying for a differentiated and more flexible migration policy – in regional autonomy for MSW post Brexit, that keeps our economy open to all levels of international talent. With the rationale for this based on the economic contribution of MSW to NI GVA and the predominance of manufacturing employment within our region, which has been highly reliant on attracting EU migrant labour in recent years.
Policy Changes to the 'Off-the-Shelf' Apprenticeship offer (Short-Term) – regional autonomy for MSW.	<ul style="list-style-type: none"> ▪ The work-based learning route is the priority for MSW and the ambitions / plans of the FE sector offer a good basis to build on. However, there are perceived constraints regarding the 'off the shelf' apprenticeship offer in terms of its ability to meet the prevailing needs of industry in MSW. It is was clear from our engagements that the Apprenticeship Levy has not served the needs of MSW's industry well to date, and a policy change is required to enable businesses to use the Levy in order to provide tailored training support to meet their needs. As it stands it is viewed as a 'tax' on the larger businesses that does not adequately convert to a sufficiently tailored skills development mechanism for our businesses. Businesses in the construction sector also pay a levy to the Construction Industry Training Board (CITB) underlining the need for the main levy as above to be more effective. There is interest in exploring solutions that give our employers more control to 'purchase' their own solutions in this regard, which may entail aspects of the voucher system in place elsewhere in GB. Another issue cited was prevailing age restrictions. Short-term therefore there is an immediate need to work with DfE / the FE Colleges to assess what adaptations could be made to better fit with immediate skill needs.
Extend the range of Higher-Level Apprenticeships and Degree Apprenticeships available in MSW - regional autonomy for MSW.	<ul style="list-style-type: none"> ▪ Extend the range of higher-level apprenticeships and degree apprenticeships as an alternative, and debt-free, route to higher- level qualifications, with greater opportunity to progress into employment. This extended range should be linked to the needs of priority sectors in MSW and aligned with the concept of the Innovation and Skills Academy set out under 6.4/ the Innovation 'Pillar' – which will drive the need for cross-cutting skills in digital futures and automation. In relation to the construction industry there is also an interest/ a proposal to develop a fully employed four-year apprenticeship model. ▪ Promotion of the value of this option as a route to higher-level qualifications/ the 'world of work' with parents of young people.

<p>Greater Focus on Shared Apprenticeship schemes in MSW - regional autonomy for MSW.</p>	<ul style="list-style-type: none"> ▪ In order to increase the uptake of apprenticeships in MSW, there should be greater focus on Shared Apprenticeship models. These are typically targeted at SMEs who may not be in a position to offer apprenticeships to young people due to the economic uncertainty across their sector and the short-term nature of their order books. A Shared Apprenticeship model entails the sequential hosting of an apprentice across multiple companies (e.g. for a minimum of three months), thus removing the long-term risk for individual SMEs but still offering a mechanism to develop requisite skills at a region-wide level. There are established ³¹ models of good practice in this regard in the construction industry in GB that typically involve a partnership between a regional/ devolved public sector organisation and the CITB. This model rotates individual apprentices through hosted placements within construction companies, and individuals who complete the full three-year apprenticeship achieve an NVQ Level 3 in their chosen trade. This model has been successful in building skills for the construction industry, with around 90% of apprentices who complete the three years securing full time employment in their chosen trade.
<p>Extend Scale and Scope of Available Management and Leadership Training in MSW.</p>	<ul style="list-style-type: none"> ▪ A range of actions are needed to develop leadership talent and management skills alongside technical and professional skills in MSW. This can be particularly relevant for the SME community and Family Owned Businesses, where succession planning is relevant. ▪ Via the ABC Local Works Forum a range of pilot management and leadership programmes have been rolled out in the ABC Council area. The learning from this activity should inform considerations to extend the scale and scope of the leadership and management training offers more broadly in MSW. All future interventions in this area should be underpinned by a focus on innovation, efficiency and improved productivity, consistent with the headline ambition of this RES.
<p>Initiatives to Promote Career Attractiveness</p>	<ul style="list-style-type: none"> ▪ A range of initiatives that promote career attractiveness in priority sectors in MSW are needed to retain and build key skills in the region. This will include work experience in industry for school age pupils from age 14 and the education of parents on the value of the work-based learning route, including HLAs and Foundation Degrees (as above). ▪ It is also evident that there is an onus on the employers and businesses themselves in MSW to actively promote the development of productive, inclusive and engaging workplaces. Promotion of good practice in this regard will help to improve the image of MSW priority sectors. ▪ Furthermore our businesses will be encouraged to increasingly offer different employment models, flexi-working, contract and portfolio working – all of which have the potential to significantly change the way they attract, invest in and develop skills in future.

³¹ <https://www.citb.co.uk/courses-and-qualifications/citb-apprenticeships/take-on-an-apprentice/types-of-apprenticeships/shared-apprenticeship-scheme/what-is-shared-apprenticeship-scheme/>

4.4 ENABLING INFRASTRUCTURE

Investment in this area is a critical enabler to realising growth ambitions in all other areas of the RES, given the significant deficits that exist in several aspects of the basic economic infrastructure for competitiveness in MSW. The table below sets out potential actions/ project concepts for further development and prioritisation.

Physical connectivity/ roads infrastructure	<ul style="list-style-type: none"> ▪ East-West Link, Armagh; ▪ A29 Cookstown and Dungannon Bypasses ▪ Southern Relief Enniskillen ▪ A1 ▪ A4 ▪ A6 (Castledawson to Dungiven) ▪ M12 Carn/Seagoe ▪ Additional Park and Ride and Transport Planning Measures
Investment in broadband and mobile coverage and reliability.	<ul style="list-style-type: none"> ▪ Project Stratum entails investment to meet the broadband needs of (most of) the MSW region but there will be 'harder to reach' parts of the region for which additional targeted support and investment may be required. ▪ In terms of expediting productivity however it is argued that rather than targeting investment to 'fill-in the gaps' left behind by Project Stratum, a more focused approach is needed within the RES. Specifically it is suggested that there is a need to underpin the innovation 'projects / hotspots' in selected localities in MSW with higher capacity (e.g. 5G networking) services. This has the potential to bring higher-connectivity benefits to a larger critical mass of economic activity in MSW - including the SME community - who to date may have lacked the resources to invest in 'workaround' solutions to poor connectivity. These innovation projects/ hotspots are detailed in Section 4.5 and will help to make these locations 'technology ready testbeds' capable of attracting a cluster of companies and related investment.
Access to industrial land	<ul style="list-style-type: none"> ▪ Purchase of land for industrial activity, zoning of same and development to ensure a ready 'package' of services/ utilities/ road access. ▪ In respect of access to utilities above there is an ongoing need to work with NI Water and the Utility Regulator to ensure that investment in additional waste water treatment capacity is prioritised. ▪ Freeing-up unused industrial land held in public ownership. In essence, a policy change that recognises the role that Local Government can play in productive

	<p>development of these assets – which may include Invest NI land-bank held for FDI and elements of health and education estates.</p> <ul style="list-style-type: none"> ▪ A key example of the above being progressed already is in relation to the work that Mid Ulster District Council is doing to seek to acquire a significant land holding for industrial / economic use at Desertcreat, outside Cookstown. This will be critical in attracting new companies and helping indigenous businesses to grow and deliver investment and job creation in the MSW region.
Investment in electricity supply.	<ul style="list-style-type: none"> ▪ Electricity supply and the cost of energy is also a real constraint for local businesses. Interventions are needed to incentivise green energy, perhaps via localised and shared green energy production at new industrial estates referenced above.
Physical connectivity/ rail infrastructure (to reduce carbon footprint)	<ul style="list-style-type: none"> ▪ A rail halt at Carn / Seagoe to improve access to the existing rail network. This would have considerable economic benefits given the contribution of this locality to economic output of the MSW region and is identified as a short-term need. ▪ A longer-term ambition is to consider a range of effective sustainable transport solutions to restore some of the connectivity that the original rail network in MSW provided. This is unlikely to entail restoration of the rail network as was (for both practical/ logistical and affordability reasons) but will examine what effective transport solutions (e.g. light rail) could potentially be put in place to restore some of the connectivity that previously existed in MSW.
Opportunities for enabling site development	<ul style="list-style-type: none"> ▪ Strategic and complex sites including, for example, St Lucia Military Base, Omagh; Armagh Gaol.

With reference to the actions in respect of industrial land noted above it should be highlighted that if lands are not available, previous Article 31 planning powers should be the first line of ensuring land can be designated. Allied to this there is scope to encourage and incentivize private sector provision of lands if the public sector is constrained in this regard (e.g. by way of Joint Ventures with Local Councils based on models elsewhere in the UK). A further lever would be to empower Local Enterprise Agencies to utilize their PED7 planning powers to ensure supply of industrial land for SMEs.

4.5 BOOSTING INNOVATION AND DIGITAL CAPACITY

Given our ageing population and expected slowdown in population growth, increasing productivity will become our most important driver for success – as reflected in both the UK and NI Industrial Strategies.

Consistent with these strategies a key priority in our RES is supporting our businesses to be more productive and to enhance their capabilities in crucial enabling technologies such as data analytics, robotics, automation, Industry 4.0, machine learning, artificial intelligence, augmented reality, advanced materials and production techniques, and to exploit the growth opportunities these technologies hold for our region. There are evolving plans at an NI level for a Manufacturing Innovation Ecosystem embodying much of the above via the City/ Growth Deals. These plans are being co-ordinated by QUB/ the Advanced Manufacturing Innovation Centre project and provide for an integrated skills pipeline, linking FE Colleges and the HE sector to satisfy industry needs. Collaboration at the NI region level in this regard will help 'NI PLC' to build enhanced UK presence and overseas representation leading to increased revenue streams for NI from participation in major national innovation programmes and by attracting FDI. As set out previously, our region boasts significant levels of advanced manufacturing activity, with 70% more employment in high and medium tech manufacturing than the UK average.³² Consistent with this we will be a major player within the evolving plans at an NI-wide level for a Manufacturing Innovation Ecosystem, with a 'footprint'/ physical innovation facility on the ground in MSW within this ecosystem and reinforcing interventions specific to our RES/ Growth Deal to ensure further success. We envisage that this should be mainly delivered via the auspices of the South West College who were awarded the Engineering and Advanced Manufacturing Curriculum Hub for NI in recognition of their long-standing track record of successful collaboration with manufacturing industry.

Our implementation approach to the above will be tailored to the leading sectors in manufacturing/ industrial economy in MSW (that offer further potential for growth) as set out Section 2 of this paper - working in conjunction with sector partners/ agencies as appropriate. A case in point is agri-food/ food manufacturing, a sector which has a large presence in MSW. Robotic solutions are increasingly being used to automate repetitive tasks in this sector (e.g. for dispensing, food placement, cutting, packaging or casing of food, pick-and-placing products into containers, and sorting) and their further application can bring productivity improvements and help offset labour shortages in a tight labour market such as that present (and forecast) for MSW. In this arena we would work with ³³CAFRE as a partner agency which has a leadership role for stimulating innovation, including the application of enabling technologies automation, within the agri-food sector across NI. CAFRE has a major presence in MSW through two out their three campuses being located in MSW (Loughry and Enniskillen).

Our ambition for boosting innovation is not limited to the manufacturing/ industrial economy in MSW. A recent study³⁴ within MSW indicated that in ABC that there is a particular strength in the Digital Tech sector – IT services, Computing and Advanced Electronics, Software and Communications. This report highlighted that the Digital GVA/ capita therein was 28% more than the NI average and Digital ICT wages 44% above the NI average. The new SRC campus in Banbridge is also set to become a 'Specialist Centre for Digital Media and Design'. Building on all of this we recognise the opportunity for growth of the Digital Tech sector across MSW, whilst acknowledging that the reach of the Digital Tech sector is much wider than the sector itself (e.g. within financial services, creative industries, medical devices and pharma/bio-technology).

³² We have used the OECD definition of high and medium tech manufacturing:

https://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:High-tech_classification_of_manufacturing_industries

³³ College of Agriculture, Food and Rural Enterprise

³⁴ Complementing, Advocating, Leading – Digital Strategy ABC Council January 2018.

It is also important to recognise health and social care as an 'economic driver', over and above being a core service providing sector in MSW. Our region is home to two leading acute and teaching hospitals, which along with the expertise therein and associated local supply chains are major sources of employment in MSW. With these health care assets, and the leading pharma companies based in MSW, our region has both world class expertise and demonstrable innovation practice that will be consolidated further via the RES to deliver exponential gains in GVA and productivity. We will explore with our two hospitals the specific opportunities that this presents aligning to the evolving plans for the Health Innovation Research Alliance Northern Ireland ³⁵(HIRANI) at an NI wide-level.

As espoused in Economy 2030/ the Industrial Strategy for NI our ambition is for an economy in MSW where *'innovation is embedded in the DNA of every company and across the public sector'*.

The table below sets out potential actions/ project concepts for further development and prioritisation.

<p>An innovation and skills academy delivered by South West College.</p>	<ul style="list-style-type: none"> ▪ We will deliver an Innovation and Skills Academy through the South West College. This will be the Advanced Manufacturing Innovation Centre (AMIC) 'physical footprint' for the MSW region. It will provide access for our companies to continue to learn, test and embed enabling technologies and automation to expedite productivity improvements. It will be 'world-beating' in concept and delivery. Aligned with this we will continue to ensure that the proposals will be shaped by our business leaders, active in the advanced manufacturing and engineering sectors in MSW. ▪ It will facilitate university collaboration in MSW in this arena, through the AMIC network, building on / scaling up the expertise already in the FE sector within MSW, particularly with respect to product/ process innovation in the SME industrial economy. ▪ As a core element of 'NI PLC's' Manufacturing Innovation Ecosystem, it will be networked into an Advanced R&D and Investment Network across the UK and Ireland including the relevant Catapult centres – providing access to revenue streams for our region via participation in major national innovation programmes and by attracting FDI. ▪ It will also act as the focal point for the development of higher value-added skills and related apprenticeships for advanced
--	---

³⁵ <https://www.hira-ni.com/about>

	<p>manufacturing/ the industrial economy of MSW.</p> <ul style="list-style-type: none"> ▪ We will seek to reinforce all of the above by putting in place a 'MSW Industrial Investment Fund' that will build a delivery pipeline of demonstration projects eligible for support – by virtue of their potential to radically address the productivity challenges facing our region and to showcase 'best in class' adoption of enabling technologies. Specifically, this will entail the provision of capital funding to support businesses with in-house innovation and/ or to enable them to introduce new equipment following the conclusion of R&D – including that stimulated via the AMIC network referenced above.
The development of an NI Agri-food Robotics Centre, at CAFRE Loughry Campus	<ul style="list-style-type: none"> ▪ We will work with CAFRE, other educational institutions and industry stakeholders to create an Agri-Food Robotics Centre. CAFRE, is an integral part of the Department of Agriculture, Environment and Rural Enterprise, with two of its three Campuses (Loughry and Enniskillen) located within the MSW region. The Loughry Campus has lead responsibility for knowledge and technology transfer to the NI Agri-food industry. ▪ The proposal is to create a NI Agri-food Robotics Centre, at CAFRE Loughry Campus, focused on education of HE students and technology transfer of robotic automation and enabling technologies to the agri-food sector.
The development of agri-food incubation space in MSW	<ul style="list-style-type: none"> ▪ Incubation space is required across the region to support food development for smaller SMEs. By way of example this is currently an area being explored by the Southern Regional College within MSW.
The development of a network of Digi-hubs in MSW	<ul style="list-style-type: none"> ▪ As noted above we recognise opportunity for growth of the Digital Tech sector across MSW, whilst acknowledging that the reach of the Digital Tech sector is much wider than the sector itself. ▪ To this end we will put in place a network of 'state of the art' Digi-hubs in MSW entailing

	<p>inspiring, digitally advanced co-working spaces. These will be visible locally-based foci for the development of the Digital Tech sector in MSW and will provide a structure for sectoral focus, leadership and networking.</p> <ul style="list-style-type: none">▪ The collaboration that these will enable between individuals/ companies working in the Digital Tech arena and local communities will help to stimulate small scale innovation projects. They will also act as a 'gateway' into training and education for the digital roles in the new economy and for digitally enabled design, leveraging from the expertise and plans of the Southern Regional College in this regard (referenced above).▪ Our ambition in this regard is aligned to the concept of the Regional Innovators Network (RIN) in the Belfast Region City Deal, and accordingly when up and running we would seek to exchange good practice on an ongoing basis with the same.
Health Innovation	<ul style="list-style-type: none">▪ Explore opportunities with the MSW Region's two acute and training hospitals to align with evolving plans for the Health Innovation Research Alliance Northern Ireland (HIRANI) at a NI-wide level.▪ This could help build support for additional clustering of Life and Health Science (LHS) sector activity in MSW.▪ Supporting the effective delivery of Health Hub provision.

4.6 BUILDING A HIGH-PERFORMING TOURISM ECONOMY

As set out previously our region has particular competitive advantages in terms the quality of our tourism product. Accordingly, our focus within the RES will be on selective product development only within MSW alongside positioning our region much more within the ‘all-island’ visitor economy. This will be facilitated through connection of our tourism product in the West to the discovery points and attractions along the Wild Atlantic Way and promotion of longer-term investments in cross-border assets such as the reopening of the Ulster Canal as a strategic tourism opportunity. The latter also offers scope to align with the ambition to restore the Lagan Navigation from Belfast Harbour to Lough Neagh. The Lagan Navigation was one of the most successful commercial navigations in Ireland, and the final stretch of navigation route to Lough Neagh, runs through MSW – per adjacent schematic.



Actions taken elsewhere in the RES to address the deficits in our basic economic infrastructure in MSW are crucial to overcoming the structural barriers to the growth of Out of State tourism in our region. We will leverage from projects/ actions that will help to improve the physical accessibility of our tourism product in MSW and improved digital connectivity in our region. These are crucial to help route Out of State visitors to our region from the existing NI tourism ‘hotspots’ and for improved information provision and sign-posting. Improved digital connectivity (and associated digital capacity developed via the Innovation Pillar of our RES) will also help us to innovate in the engagement of visitors with our tourism product (e.g. through the immersive experiences that application of AR/ VR can offer).

Finally, we recognise the need to stimulate investment in tourist-related infrastructure including supporting more hotel and accommodation provision, in key locations in MSW where are evident gaps – to underpin our future ambitions for the tourism sector.

In pursuit of all of the above we will seek to use Growth Deal funding to leverage other funding sources to invest in our tourism economy such as the UK Shared Prosperity Fund and Interreg in relation to cross-border ambitions.

The table below sets out potential actions/ project concepts for further development and prioritisation.

<p>Tourism Product Development within MSW</p>	<ul style="list-style-type: none"> Implementation of the Sperrins Signature Tourism/ Future Search project. This will address the fact that recent ³⁶research indicates that, despite its appeal, Tyrone & Sperrins is not recognised nor is it functioning optimally as a tourism destination/area in the eyes of the visitor. The ³⁷report arising from the Future Search Conference contains five action plans in relation to development of environment and heritage; infrastructure; branding and tourism; community and management,
---	--

³⁶ Tourism Development Strategy and Action Plan for Fermanagh and Omagh, 2016
[<https://www.fermanaghomagh.com/app/uploads/2016/05/Tourism-Dev-Strategy-Action-Plan.pdf>]

³⁷ The Sperrins: Reaching New Heights, Realising Our Potential, Future Search Conference Report, 2017

	<p>collectively geared to realising a co-ordinated vision for the future of the Sperrins AONB summed up in the report title <i>'reaching new heights, realising our potential'</i>.</p> <ul style="list-style-type: none"> ▪ Further development of MSW as the locus of the 'genealogy/ connections' tourism experience in NI, with the Ulster American Folk Park (UAFP) in Omagh as the hub of the same. The current master-planning exercise underway for UAFP will inform further development of this concept within the RES. ▪ Development of a literary trail spanning MSW that could embrace and build upon existing discovery points/attractions and events that celebrate literary giants from the region (e.g. Heaney, Wilde, Beckett).
Cross-Border Tourism Product Development	<ul style="list-style-type: none"> ▪ Promotion of longer-term investments in cross-border assets such as the reopening of the Ulster Canal as a strategic tourism opportunity. The original route of the Ulster Canal, links the lowlands around Lough Neagh with the Erne Basin and the River Shannon system. The route traverses all three Council areas in MSW and is the 'backbone' of the historic inland waterway network in Ireland.
Actions to stimulate/ de-risk and expedite quality hotel investment in MSW	<ul style="list-style-type: none"> ▪ Relevant only in areas of MSW where there are evidenced 'gaps' in provision and associated market failures across the region. Banbridge is a case in point where there is an urgent need to support the impending Out-of-State visitor traffic to the Game of Thrones Legacy Project. Similar capacity may be needed in the Sperrins to support the planned Sperrins Signature Tourism/ Future Search project.
Improved infrastructure for routing/ signposting and visitor engagement with the tourism product in MSW	<ul style="list-style-type: none"> ▪ Branding research to best connect/ align the West of our region to the discovery points/ attractions on the Wild Atlantic Way – and implementation thereafter. ▪ Support for innovative investment in digital channels and enhancements of visitor experiences in MSW e.g. through use of VR/AR. These could exist at visitor

	attractions themselves or be hosted at TICs to inspire visitors to then go to the same.
--	---

FINAL DRAFT

5. CONCLUDING REMARKS

This RES sets out the 'headline' vision and ambition for our region; it identifies the opportunities and challenges we face; and sets out the priority 'pillars' around which future investment and actions to realise our ambitions will be framed. It also provides an early, high level indication of potential specific projects/interventions that may sit under each of these 'pillars' - which will be the subject of ongoing development in the months ahead.

The next stage of development work on these project ideas/ concepts will enable us to refine the economic targets for each - which aggregated together will quantify the scale of our collective vision (e.g. GVA/productivity /job growth etc) for the MSW region as a whole.

We are resolute in our ambition to 'supercharge' the growth of our collective economy and ensure inclusive prosperity in MSW through development and delivery of this RES. We would like to acknowledge the input and guidance of our industry/ business base in MSW in shaping our ambition thus far and look forward to ongoing engagement with them and our partners in central Government Departments/ agencies in the months ahead.

APPENDIX A: SECTORAL PRODUCTIVITY IN 2017

	Productivity (£ 2016 000s)			GVA gap (£ 2016m)
	NI	MSW	Difference	
Agriculture, forestry & fishing	20.3	17.7	-2.6	40.9
Mining & quarrying	94.9	94.3	-0.6	0.9
Manufacture of food products	52.4	50.1	-2.3	28.1
Manufacture of beverages	224.6	214.8	-9.8	0.5
Manufacture of textiles	58.4	55.9	-2.5	2.6
Manufacture of wearing apparel	75.0	71.7	-3.3	0.5
Manufacture of leather and related products	27.3	26.1	-1.2	0.0
Manufacture of wood and of products	42.1	40.3	-1.8	2.6
Manufacture of paper and paper products	77.1	73.9	-3.2	2.0
Printing and reproduction of recorded media	50.1	48.0	-2.1	1.0
Manufacture of coke and refined petroleum products	121.0	115.9	-5.1	0.1
Manufacture of chemicals and chemical products	121.0	115.9	-5.1	0.2
Manufacture of basic pharmaceutical products	78.6	75.3	-3.3	2.5
Manufacture of rubber and plastic products	40.4	38.7	-1.7	3.0
Manufacture of other non-metallic mineral products	63.3	60.6	-2.7	9.0
Manufacture of basic metals	39.4	42.9	3.6	0.0
Manufacture of fabricated metal products	48.9	53.4	4.5	0.0
Manufacture of computer, electronic and optical products	53.0	57.8	4.8	0.0
Manufacture of electrical equipment	73.3	80.0	6.7	0.0
Manufacture of machinery and equipment n.e.c.	70.4	76.8	6.4	0.0
Manufacture of motor vehicles, trailers and semi-trailers	53.2	58.1	4.8	0.0
Manufacture of other transport equipment	52.5	57.3	4.8	0.0
Manufacture of furniture	38.3	32.6	-5.7	10.2
Other manufacturing	84.2	71.8	-12.5	2.2
Repair and installation of machinery and equipment	40.3	34.3	-6.0	1.6
Electricity, gas & steam	217.2	136.3	-80.9	13.4
Water supply	92.3	84.8	-7.5	11.6
Construction	51.0	44.1	-6.9	131.9
Wholesale & retail	39.1	31.6	-7.5	273.3
Transport & storage	44.1	35.2	-8.9	90.1
Accommodation & food	19.9	5.8	-14.2	144.8
Information & comms	54.8	45.4	-9.4	17.3
Financial & insurance	80.9	42.4	-38.4	91.7
Real estate	437.9	502.1	64.2	0.0
Professional services	38.4	25.6	-12.8	93.0
Admin & support	17.7	19.3	1.6	0.0
Public administration	63.5	37.1	-26.4	188.1
Education	31.0	21.5	-9.5	165.7
Human health	30.4	19.7	-10.6	298.7
Arts, enter. and recreation	23.7	19.4	-4.3	15.8
Other service activities	34.4	28.0	-6.4	29.4
Total	44.6	36.2	-8.4	1672.4

Source: ONS and Oxford Economics

FINAL DRAFT

Policy Screening Form

Policy Scoping

Policy Title: Mid South West Regional Economic Strategy

Brief Description of Policy (please attach copy if available). Please state if it is a new, existing or amended policy.

The Mid South West Region (MSW) is a collaboration between Armagh City, Banbridge and Craigavon Borough Council, Fermanagh and Omagh District Council and Mid Ulster District Council.

Mid South West Regional Economic Strategy is a new strategy.

Intended aims/outcomes. What is the policy trying to achieve?

The Regional Economic Strategy (RES) outlines the growth and development vision for the Mid South West region. It focuses on strengths, challenges, specific and targeted economic interventions and investments to drive productivity in the region over the longer term. The ambition is to 'supercharge' the growth of the collective economy and ensure inclusive prosperity in MSW.

MSW RES demonstrates that funding from a Growth Deal and other sources will be required to come into effect to underpin the full realisation of the strategy and subsequent action/implementation plan. Policy changes will also be required. It will build on the region's economic strengths so as to directly deliver on the draft Industrial strategy and contribute to improving the competitiveness of Northern Ireland overall. This means:

- boosting productivity
- delivering more and better jobs
- tackling inequalities
- greater investment in the area
- supporting our businesses to innovate and grow
- improving skills
- ensuring future skills to meet the needs of our growing economy and the resilience of the place.

The MSW Region has significant strengths in the following sectors:

- Advanced manufacturing, materials and engineering
- Agri-food
- Life and Health Sciences
- Digital and creative technologies

- Tourism
- Construction

The strategy addresses the regional economic balance and outlines the key areas of economic, infrastructure and development activity that the MSW region will commit to in developing a regional economic agenda to transform economic performance.

The focus of this economic strategy is to raise productivity levels in the region and in so doing create better paid jobs for residents and close the productivity gap between MSW and the rest of NI. Closing sectoral productivity gaps in MSW has the potential to be equivalent to a 4.3% uplift of the NI economy.

Interventions to be delivered as an outflow of the strategy will be geared to delivering exponential / long term benefits including: increasing productivity levels (closing sectoral productivity NI 'gap'), protecting MSW's unique sectoral advantages (as a minimum) and thereafter fully realising sectoral opportunities; creating more jobs and moving more jobs/employment up the value chain and ongoing internationalisation of MSW (and better NI profiling). Action/implementation plan for interventions to be developed at a later stage.

Policy Framework

Has the policy been developed in response to statutory requirements, legal advice or on the basis of any other professional advice? Does this affect the discretion available to Council to amend the policy?

The MSW Regional Economic Strategy is ambitious and sits within a wider policy landscape. It aligns with the UK Industrial Strategy, the NI Economic Strategy and the Draft NI Programme for Government Framework 2016-2021.

The proposed four pillars/ intervention areas of the RES are closely aligned with the UK Industrial Strategy's five foundations including:

- Ideas – the world's most innovative economy
- People – good jobs and greater earning power for all
- Infrastructure – a major upgrade to the UK's infrastructure
- Business Environment – the best place to start and grow business
- Places – prosperous communities across the UK.

This strategy is being developed to align the MSW region with the Draft Industrial Strategy for Northern Ireland Economy 2030, which aims to improve the competitiveness of the Northern Ireland economy. It outlines priority pillars of:

- Accelerating Innovation and Research
- Enhancing Education, Skills and Employability
- Driving Inclusive, Sustainable Growth
- Succeeding in Global Markets
- Building the best Economic Infrastructure.

The overall aim of the Draft Programme for Government (PFG) Framework is, “improving wellbeing for all – by tackling disadvantage, and driving economic”. The RES will contribute to a wide range of PFG outcomes areas including but not limited to:

- We are an innovative, creative society, where people can fulfil their potential
- We give our children and young people the best start in life
- We connect people and opportunities through our infrastructure
- We prosper through a strong, competitive, regionally balanced economy
- We have created a place where people want to live and work, to visit and invest
- We have more people working in better jobs, and
- We have a more equal society.

Are there any Section 75 categories which might be expected to benefit from the policy? If so, please outline.

The focus of MSW Regional Economic Strategy is about making the region a better place to live and work for all citizens. It aims to help MSW businesses be innovative, create jobs and grow in local and international markets, improve physical infrastructure and connectivity, enhance tourism performance, and upskill our people to enable an economy that works for everyone.

‘Future Proofing’ the skills base is one of the four intervention areas and there are potential actions/project concepts for further development that will impact on different section 75 categories. Whilst at this stage the RES is a ‘direction of travel document’, it is anticipated that by extending the range of higher-level apprenticeships and degree apprenticeships and the promotion of same, this will result in a positive impact on younger people and their parents/families of young people.

Initiatives to promote career attractiveness will be important in going forward, resulting in the development of productive, inclusive and engaging workplaces. As well as the workforce environment, businesses will be encouraged to increasingly offer different employment models, flexi-working, contract and portfolio working-all of which have the potential to significantly change the way they attract, invest and develop skills in future. Flexibility will appeal to a range of categories but could benefit in particular men and women with dependants. Inclusive workplaces will benefit many section 75 categories by removing barriers to participation in employment for men, women, persons with different religious belief, political opinion, racial group, sexual orientation, those with a disability and those with dependants. The MSW region has a reliance on migrant labour and it is imperative that it continues to attract workers from outside the region. Further measures may be required in order to achieve this.

Who initiated or wrote the policy (if Council decision, please state). Who is responsible for implementing the policy?

Who initiated or wrote policy?	Who is responsible for implementation?
<p>Mid South West Region Councils developed this strategy following extensive engagement with industry/businesses within MSW and business membership bodies across NI, to fully understand the opportunities and challenges facing them and the interventions needed to unlock further growth in GVA and productivity in the region.</p>	<p>Mid South West Councils have responsibility for developing this strategy. It is important to note that the RES is an economic strategy document that sets out the direction of travel for the region and high level indication of potential specific projects/ interventions that may be delivered in the subsequent action plan.</p> <p>The next stage in the process will be to carry out detailed business justification exercises on potential projects. This stage could take approximately 18 months to 2 years to complete.</p> <p>The Implementation Plan will follow the previous stage.</p>

Are there any factors which might contribute to or detract from the implementation of the policy (e.g. financial, legislative, other)?

As previously stated, the RES is an economic strategy document that sets out the direction of travel for the region and provides high level indication of potential specific projects/ interventions that may be delivered in the subsequent action/implementation plan.

In achieving the ambition of the RES, it is critical that Growth Deal funding from UK Government and NI Executive is committed to at this early stage.

Financial commitment is also required from other sources including but not limited to the three MSW Councils, Universities/Colleges, Private Sector, Interreg, Prosperity Fund etc.

In addition to the above, effective liaison and engagement with the NIO, Government Departments, UK Treasury, Invest NI and all partner bodies is essential in the longer term for full realisation of the RES and Action/Implementation Plan.

Main stakeholders in relation to the policy

Please list main stakeholders affected by the policy (e.g. staff, service users, other statutory bodies, community or voluntary sector, private sector)

Industry / Businesses
MSW citizens

Councils
 UK and NI Governments
 Government Departments
 Business Membership Bodies
 Universities / FE Colleges / Schools
 Skills Bodies

Are there any other policies with a bearing on this policy? If so, please identify them and how they impact on this policy.

No

Available Evidence

Council should ensure that its screening decisions are informed by relevant data. What evidence/information (both qualitative and quantitative) have you gathered to inform this policy? Specify details for each of the Section 75 categories.

Section 75 Category	Evidence																		
Religious belief	<p>The 2011 Census showed that 54.7% of the population in the Mid South West Region were either Catholic or brought up as Catholic and 41.4% belonged to or were brought up in Protestant, other Christian or Christian-related religions. A further 0.6% belonged to or had been brought up in other religions while 3.2% neither belonged to, nor had been brought up in a religion.</p> <table><tr><th>Religion or Religion Brought Up In</th><th>Number</th><th>Percentage</th></tr><tr><td>Catholic</td><td>246,830</td><td>54.7%</td></tr><tr><td>Protestant and Other Christian (including Christian related)</td><td>187,117</td><td>41.4%</td></tr><tr><td>Other religions</td><td>2,877</td><td>0.6%</td></tr><tr><td>None</td><td>14,620</td><td>3.2%</td></tr><tr><td>All usual residents</td><td>451,444</td><td>100.0%</td></tr></table> <p>Prejudicial attitudes and/or discrimination on the grounds of religious belief may impact on experiences within the workplace. Prejudicial attitudes toward those of different religious beliefs is present in Northern Ireland, particularly sectarianism and islamophobia.</p> <p>Key Inequalities in Employment, (ECNI) 2018</p>	Religion or Religion Brought Up In	Number	Percentage	Catholic	246,830	54.7%	Protestant and Other Christian (including Christian related)	187,117	41.4%	Other religions	2,877	0.6%	None	14,620	3.2%	All usual residents	451,444	100.0%
Religion or Religion Brought Up In	Number	Percentage																	
Catholic	246,830	54.7%																	
Protestant and Other Christian (including Christian related)	187,117	41.4%																	
Other religions	2,877	0.6%																	
None	14,620	3.2%																	
All usual residents	451,444	100.0%																	
Political opinion	<p>In January 2020, Mid South West Region has 121 elected members. the breakdown of seats by political party is:</p>																		

	<table><tr><th>Party</th><th>Number of Councillors elected</th></tr><tr><td>Sinn Fein</td><td>42</td></tr><tr><td>Democratic Unionist Party</td><td>25</td></tr><tr><td>Ulster Unionist Party</td><td>25</td></tr><tr><td>Social Democratic and Labour Party</td><td>17</td></tr><tr><td>Independent</td><td>7</td></tr><tr><td>Alliance Party</td><td>4</td></tr><tr><td>Cross Community Labour Alternative</td><td>1</td></tr><tr><td>Total</td><td>121</td></tr></table> <p>192,109 votes were polled in the Region from an eligible electorate of 332,528 giving a turnout of 57.8%.</p>	Party	Number of Councillors elected	Sinn Fein	42	Democratic Unionist Party	25	Ulster Unionist Party	25	Social Democratic and Labour Party	17	Independent	7	Alliance Party	4	Cross Community Labour Alternative	1	Total	121																																	
Party	Number of Councillors elected																																																			
Sinn Fein	42																																																			
Democratic Unionist Party	25																																																			
Ulster Unionist Party	25																																																			
Social Democratic and Labour Party	17																																																			
Independent	7																																																			
Alliance Party	4																																																			
Cross Community Labour Alternative	1																																																			
Total	121																																																			
Racial group	<p>The 2011 Census showed that:</p> <p>98.7% of the usually resident population of the Mid South West Region were white and 1.3% were from minority ethnic groups. The main ethnic minorities were Mixed (1,213 individuals), Chinese (940 individuals) and Other Asian (852 individuals).</p> <table><tr><th>Ethnic Group</th><th>Number</th><th>Percentage</th></tr><tr><td>White</td><td>445,354</td><td>98.65%</td></tr><tr><td>Chinese</td><td>940</td><td>0.21%</td></tr><tr><td>Irish Traveller</td><td>509</td><td>0.11%</td></tr><tr><td>Indian</td><td>763</td><td>0.17%</td></tr><tr><td>Pakistani</td><td>267</td><td>0.06%</td></tr><tr><td>Bangladeshi</td><td>37</td><td>0.01%</td></tr><tr><td>Other Asian</td><td>852</td><td>0.19%</td></tr><tr><td>Black Caribbean</td><td>63</td><td>0.01%</td></tr><tr><td>Black African</td><td>417</td><td>0.09%</td></tr><tr><td>Black other</td><td>374</td><td>0.08%</td></tr><tr><td>Mixed</td><td>1,213</td><td>0.27%</td></tr><tr><td>Other</td><td>655</td><td>0.15%</td></tr><tr><td>All usual residents</td><td>451,444</td><td>100.00%</td></tr></table> <p>88.4% of residents in the Region were born in Northern Ireland. 5.4% of residents (24,470 individuals) were born outside the United Kingdom or Republic of Ireland.</p> <table><tr><th>Country of Birth</th><th>Number</th><th>Percentage</th></tr><tr><td>Northern Ireland</td><td>398,897</td><td>88.4%</td></tr><tr><td>England</td><td>13,792</td><td>3.1%</td></tr></table>	Ethnic Group	Number	Percentage	White	445,354	98.65%	Chinese	940	0.21%	Irish Traveller	509	0.11%	Indian	763	0.17%	Pakistani	267	0.06%	Bangladeshi	37	0.01%	Other Asian	852	0.19%	Black Caribbean	63	0.01%	Black African	417	0.09%	Black other	374	0.08%	Mixed	1,213	0.27%	Other	655	0.15%	All usual residents	451,444	100.00%	Country of Birth	Number	Percentage	Northern Ireland	398,897	88.4%	England	13,792	3.1%
Ethnic Group	Number	Percentage																																																		
White	445,354	98.65%																																																		
Chinese	940	0.21%																																																		
Irish Traveller	509	0.11%																																																		
Indian	763	0.17%																																																		
Pakistani	267	0.06%																																																		
Bangladeshi	37	0.01%																																																		
Other Asian	852	0.19%																																																		
Black Caribbean	63	0.01%																																																		
Black African	417	0.09%																																																		
Black other	374	0.08%																																																		
Mixed	1,213	0.27%																																																		
Other	655	0.15%																																																		
All usual residents	451,444	100.00%																																																		
Country of Birth	Number	Percentage																																																		
Northern Ireland	398,897	88.4%																																																		
England	13,792	3.1%																																																		

Scotland	2,748	0.6%
Wales	469	0.1%
Republic of Ireland	11,068	2.5%
Other EU: Member countries prior to 2004 expansion	2,733	0.6%
Other EU: Accession countries 2004 onwards	14,889	3.3%
Other	6,848	1.5%
All usual residents	451,444	100.0%

4.2% of residents aged 3+ years (17,993 individuals) spoke a language other than English or Irish as their main language. The most common other main languages were Polish (6,165 residents aged 3+ years) and Lithuanian (4,201 residents aged 3+ years).

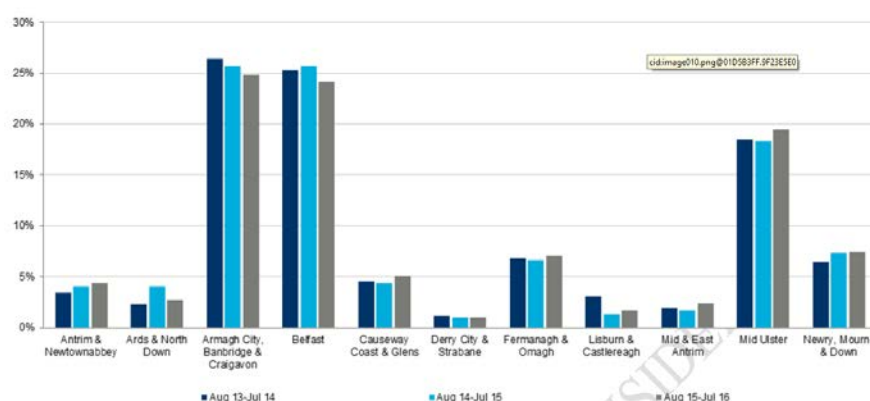
Main Language	Number	Percentage
English	412,094	95.62%
Polish	6,165	1.43%
Lithuanian	4,201	0.97%
Irish (Gaelic)	866	0.20%
Portuguese	1,770	0.41%
Slovak	805	0.19%
Chinese	244	0.06%
Tagalog/Filipino	275	0.06%
Latvian	718	0.17%
Russian	572	0.13%
Malayalam	171	0.04%
Hungarian	448	0.10%
Other	2,624	0.61%
All usual residents aged 3+ years	430,953	100.00%

The region has consistently enjoyed net inward migration, even when NI as a region was losing migrants. Insert fig 4 Estimated Net International Migration 2007-2017 – NI v MSW.

The MSW region's reliance on migrant labour as a core component of our 'economic engine' in recent years is illustrated below.

Fig. 6. Migrant Worker Tenant Households

Estimated number of Migrant Worker Current Tenant Households by Local Government District (August 2007 - July 2016)



The proportion of migrant workers by District Council areas in NI in rented housing.

Racial prejudice and discrimination can impact on the ability of minority ethnic groups and migrant workers to participate in employment, sustain employment and progress in employment. Racial prejudice has been identified in accessing employment and in experiences of racial harassment and intimidation in workplaces.

Key inequalities in Employment, (ECNI) 2018

Age

The population of the Mid South West Region was estimated to be 478,317 at 30th June 2018. The profile by age group is:

Age Group	Number	Percentage
0 to 15 years	107,770	22.5%
16 to 24 years	49,862	10.4%
25 to 49 years	160,022	33.5%
50 to 64 years	87,210	18.2%
65 and over	73,453	15.4%
Total	478,317	100.0%

The Region has a growing and ageing population. The population of the Region is projected to increase by 6.8% or just over 32,600 people over the next ten years to 2028. The largest increase is projected in the 65 and over age group (31.3% or just under 23,000 people).

Age Group	2028 Population Projection		Change from 2018 to 2028	
	Number	%	Number	%
0 to 15 years	106,559	20.9%	-1,211	-1.1%

	<table><tr><td>16 to 24 years</td><td>55,013</td><td>10.8%</td><td>5,151</td><td>10.3%</td></tr><tr><td>25 to 49 years</td><td>159,008</td><td>31.1%</td><td>-1,014</td><td>-0.6%</td></tr><tr><td>50 to 64 years</td><td>93,913</td><td>18.4%</td><td>6,703</td><td>7.7%</td></tr><tr><td>65 and over</td><td>96,434</td><td>18.9%</td><td>22,981</td><td>31.3%</td></tr><tr><td>Total</td><td>510,927</td><td>100.0%</td><td>32,610</td><td>6.8%</td></tr></table>	16 to 24 years	55,013	10.8%	5,151	10.3%	25 to 49 years	159,008	31.1%	-1,014	-0.6%	50 to 64 years	93,913	18.4%	6,703	7.7%	65 and over	96,434	18.9%	22,981	31.3%	Total	510,927	100.0%	32,610	6.8%
16 to 24 years	55,013	10.8%	5,151	10.3%																						
25 to 49 years	159,008	31.1%	-1,014	-0.6%																						
50 to 64 years	93,913	18.4%	6,703	7.7%																						
65 and over	96,434	18.9%	22,981	31.3%																						
Total	510,927	100.0%	32,610	6.8%																						
Marital status	<p>The 2011 Census provides information on the marital and civil partnership status of those aged 16 and over. In the Mid South West Region:</p> <table><tr><th>Marital and Civil Partnership Status</th><th>Number</th><th>Percentage</th></tr><tr><td>Single (never married or never registered a same-sex civil partnership)</td><td>122,247</td><td>34.9%</td></tr><tr><td>Married</td><td>177,708</td><td>50.7%</td></tr><tr><td>In a registered same-sex civil partnership</td><td>220</td><td>0.1%</td></tr><tr><td>Separated (but still legally married or still legally in a same-sex civil partnership)</td><td>11,859</td><td>3.4%</td></tr><tr><td>Divorced or formerly in a same-sex civil partnership which is now legally dissolved</td><td>15,799</td><td>4.5%</td></tr><tr><td>Widowed or surviving partner from a same-sex civil partnership</td><td>22,645</td><td>6.5%</td></tr><tr><td>All usual residents aged 16+ years</td><td>350,478</td><td>100.0%</td></tr></table>	Marital and Civil Partnership Status	Number	Percentage	Single (never married or never registered a same-sex civil partnership)	122,247	34.9%	Married	177,708	50.7%	In a registered same-sex civil partnership	220	0.1%	Separated (but still legally married or still legally in a same-sex civil partnership)	11,859	3.4%	Divorced or formerly in a same-sex civil partnership which is now legally dissolved	15,799	4.5%	Widowed or surviving partner from a same-sex civil partnership	22,645	6.5%	All usual residents aged 16+ years	350,478	100.0%	
Marital and Civil Partnership Status	Number	Percentage																								
Single (never married or never registered a same-sex civil partnership)	122,247	34.9%																								
Married	177,708	50.7%																								
In a registered same-sex civil partnership	220	0.1%																								
Separated (but still legally married or still legally in a same-sex civil partnership)	11,859	3.4%																								
Divorced or formerly in a same-sex civil partnership which is now legally dissolved	15,799	4.5%																								
Widowed or surviving partner from a same-sex civil partnership	22,645	6.5%																								
All usual residents aged 16+ years	350,478	100.0%																								

Sexual orientation	<p>The 2011 Census did not include a question on sexual identity.</p> <p>The Continuous Household Survey provides results on the sexual identity of persons aged 16 and over. In the Region in 2016/17 – 2018/19:</p> <table><tr><th>Sexual Identity</th><th>Percentage</th></tr><tr><td>Heterosexual/straight</td><td>98%</td></tr><tr><td>Gay/Lesbian</td><td>0*</td></tr><tr><td>Bisexual</td><td>1%</td></tr><tr><td>Other</td><td>0*</td></tr><tr><td>Don't Know / Refusal</td><td>0*</td></tr></table> <p>* Less than 0.5%</p> <p>Results from the 2018 Northern Ireland Life and Times Survey showed that adults aged 18 and over in Northern Ireland overall responded:</p> <table><tr><th></th><th>Percentage</th></tr><tr><td>.</td><td></td></tr><tr><td>I am 'gay' or lesbian (homosexual)</td><td>1%</td></tr><tr><td>I am heterosexual or 'straight'</td><td>94%</td></tr><tr><td>I am bi-sexual</td><td>1%</td></tr><tr><td>Other answer</td><td>1%</td></tr><tr><td>I do not wish to answer this question</td><td>3%</td></tr></table> <p>Lesbian, gay and bisexual employees are subject to prejudicial attitudes in the workplace. Prejudicial attitudes may impact on the ability of lesbian, gay and bisexual people to participate in employment, sustain employment and progress in employment.</p> <p>Key Inequalities in Employment, (ECNI) 2018</p>	Sexual Identity	Percentage	Heterosexual/straight	98%	Gay/Lesbian	0*	Bisexual	1%	Other	0*	Don't Know / Refusal	0*		Percentage	.		I am 'gay' or lesbian (homosexual)	1%	I am heterosexual or 'straight'	94%	I am bi-sexual	1%	Other answer	1%	I do not wish to answer this question	3%
Sexual Identity	Percentage																										
Heterosexual/straight	98%																										
Gay/Lesbian	0*																										
Bisexual	1%																										
Other	0*																										
Don't Know / Refusal	0*																										
	Percentage																										
.																											
I am 'gay' or lesbian (homosexual)	1%																										
I am heterosexual or 'straight'	94%																										
I am bi-sexual	1%																										
Other answer	1%																										
I do not wish to answer this question	3%																										
Men and women generally	<p>The 2011 Census showed that in the Mid South West Region 49.8% of usual residents were male and 50.2% were female.</p> <table><tr><th>Gender</th><th>Number</th><th>Percentage</th></tr><tr><td>Males</td><td>224,724</td><td>49.8%</td></tr><tr><td>Females</td><td>226,720</td><td>50.2%</td></tr><tr><td>All usual residents</td><td>451,444</td><td>100.0%</td></tr></table> <p>Population estimates as at 30th June 2018 for the Region show that 50.0% (239,049) are male and 50.0% (239,268) are female.</p>	Gender	Number	Percentage	Males	224,724	49.8%	Females	226,720	50.2%	All usual residents	451,444	100.0%														
Gender	Number	Percentage																									
Males	224,724	49.8%																									
Females	226,720	50.2%																									
All usual residents	451,444	100.0%																									

	<table><tr><th>Gender</th><th>Number</th><th>Percentage</th></tr><tr><td>Males</td><td>239,049</td><td>50.0%</td></tr><tr><td>Females</td><td>239,268</td><td>50.0%</td></tr><tr><td>Total</td><td>478,317</td><td>100.0%</td></tr></table> <p>Women experience a lower employment rate and a higher economic inactivity rate when they have dependants.</p> <p>Lone parents with dependants experience barriers to their participation in employment.</p> <p>Women experience prejudice, discrimination and harassment in the workplace; including discrimination due to pregnancy and maternity.</p> <p>Trans people face prejudice and hostility in employment and are less likely to be open about their gender identity in the workplace.</p> <p>Key Inequalities in Employment, (ECNI) 2018</p> <p>Women are under-represented in industries associated with Science, Technology, Engineering and Mathematics (STEM) such as Manufacturing, Transport and Communication, Energy and Water and Construction.</p> <p>Young women are less likely to choose to study STEM subjects at further and higher education compared to young men thus decreasing their availability for high-level STEM jobs, where men outnumber women by nearly three to one.</p> <p>Key Inequalities in Employment, (ECNI) 2018</p>	Gender	Number	Percentage	Males	239,049	50.0%	Females	239,268	50.0%	Total	478,317	100.0%			
Gender	Number	Percentage														
Males	239,049	50.0%														
Females	239,268	50.0%														
Total	478,317	100.0%														
Disability	<p>According to the 2011 Census, one fifth (20.0%) of people (90,213 individuals) in the Mid South West Region had a long-term health problem or disability that limited their day-to-day activities.</p> <table><tr><th>Long-term health problem or disability</th><th>Number</th><th>Percentage</th></tr><tr><td>Day-to-day activities limited a lot</td><td>51,542</td><td>11.4%</td></tr><tr><td>Day-to-day activities limited a little</td><td>38,671</td><td>8.6%</td></tr><tr><td>Day-to-day activities not limited</td><td>361,231</td><td>80.0%</td></tr><tr><td>All usual residents</td><td>451,444</td><td>100.0%</td></tr></table>	Long-term health problem or disability	Number	Percentage	Day-to-day activities limited a lot	51,542	11.4%	Day-to-day activities limited a little	38,671	8.6%	Day-to-day activities not limited	361,231	80.0%	All usual residents	451,444	100.0%
Long-term health problem or disability	Number	Percentage														
Day-to-day activities limited a lot	51,542	11.4%														
Day-to-day activities limited a little	38,671	8.6%														
Day-to-day activities not limited	361,231	80.0%														
All usual residents	451,444	100.0%														

The Family Resources Survey provides results on disability prevalence by impairment type. In Northern Ireland in 2017/18:

Impairment Type	000's	Percentage
Vision	32	8%
Hearing	39	10%
Mobility	199	51%
Dexterity	99	25%
Learning	40	10%
Memory	43	11%
Mental Health	106	27%
Stamina/breathing/fatigue	140	36%
Socially/behaviourally	36	9%
Other	66	17%
All with at least one impairment	388	

Benefit statistics from the Department for Communities show that in the Mid South West Region as at August 2019:

- 13,680 or 18.6% of 65 and over population claiming Attendance Allowance.
- 33,460 Personal Independence Payment claims in payment (experimental statistics).

There is a persistent employment gap between people with and without disabilities.

In Northern Ireland people without a disability are more than twice as likely to be in employment (80%) than those with a disability (38%).

Around three times the proportion (31%) of disabled people had no qualifications compared to non-disabled people (10%).

Among people with disabilities, people with mental health issues and/or a learning disability are less likely to be employed compared to people with hidden disabilities, progressive or other disabilities and/or sensory disabilities.

People with disabilities are more likely to experience prejudice in employment than those without disabilities.

Key Inequalities in Employment, (ECNI) 2018
Labour Force Survey January – March 2019

Dependants	<p>The 2011 Census showed that 36.7% or 60,423 households in the Region contained dependent children.</p> <p>For the former local government districts that make up the Mid South West Region the Census 2011 shows:</p> <table><tr><th>Number of Dependent Children - Households</th><th>Number</th><th>Percentage</th></tr><tr><td>No dependent children</td><td>104,821</td><td>63.3%</td></tr><tr><td>One dependent child</td><td>23,935</td><td>14.5%</td></tr><tr><td>Two dependent children</td><td>21,625</td><td>13.1%</td></tr><tr><td>Three dependent children</td><td>10,592</td><td>6.4%</td></tr><tr><td>Four or more dependent children</td><td>4,578</td><td>2.8%</td></tr><tr><td>All households</td><td>165,551</td><td>100.0%</td></tr></table> <p>The 2011 Census also showed that 11.2% of all usual residents (50,390 individuals) in the Region provided unpaid care.</p> <table><tr><th>Provision of Unpaid Care</th><th>Number</th><th>Percentage</th></tr><tr><td>Provides no unpaid care</td><td>401,054</td><td>88.8%</td></tr><tr><td>Provides unpaid care</td><td>50,390</td><td>11.2%</td></tr><tr><td>All usual residents</td><td>451,444</td><td>100.0%</td></tr></table> <p>Of those who provided unpaid support:</p> <table><tr><th>Provided Unpaid Care</th><th>Number</th><th>Percentage</th></tr><tr><td>1-19 hours per week</td><td>28,853</td><td>57.3%</td></tr><tr><td>20-49 hours per week</td><td>8,736</td><td>17.3%</td></tr><tr><td>50+ hours per week</td><td>12,801</td><td>25.4%</td></tr><tr><td>Total</td><td>50,390</td><td>100.0%</td></tr></table> <p>Benefit statistics from the Department for Communities show as at August 2019 there were 18,510 claimants or 5.0% of the population aged 16 and over claiming Carer's Allowance in the Mid South West Region.</p> <p>Lone parents with dependants experience barriers to their participation in employment.</p> <p>Key Inequalities in Employment, (ECNI) 2018</p>	Number of Dependent Children - Households	Number	Percentage	No dependent children	104,821	63.3%	One dependent child	23,935	14.5%	Two dependent children	21,625	13.1%	Three dependent children	10,592	6.4%	Four or more dependent children	4,578	2.8%	All households	165,551	100.0%	Provision of Unpaid Care	Number	Percentage	Provides no unpaid care	401,054	88.8%	Provides unpaid care	50,390	11.2%	All usual residents	451,444	100.0%	Provided Unpaid Care	Number	Percentage	1-19 hours per week	28,853	57.3%	20-49 hours per week	8,736	17.3%	50+ hours per week	12,801	25.4%	Total	50,390	100.0%
Number of Dependent Children - Households	Number	Percentage																																															
No dependent children	104,821	63.3%																																															
One dependent child	23,935	14.5%																																															
Two dependent children	21,625	13.1%																																															
Three dependent children	10,592	6.4%																																															
Four or more dependent children	4,578	2.8%																																															
All households	165,551	100.0%																																															
Provision of Unpaid Care	Number	Percentage																																															
Provides no unpaid care	401,054	88.8%																																															
Provides unpaid care	50,390	11.2%																																															
All usual residents	451,444	100.0%																																															
Provided Unpaid Care	Number	Percentage																																															
1-19 hours per week	28,853	57.3%																																															
20-49 hours per week	8,736	17.3%																																															
50+ hours per week	12,801	25.4%																																															
Total	50,390	100.0%																																															

Needs, experiences and priorities

Taking into account the information gathered above, what are the different needs, experiences and priorities of each of the following categories in relation to this particular policy/decision?

Section category	75 Needs, experiences and priorities
Religious belief	<p>There is no qualitative or quantitative data to suggest that the Mid South West Regional Economic Strategy will have an adverse impact upon this group. The overall aim of the Strategy is to raise productivity levels for the region, and in doing so create better more and better paid jobs for citizens, and close the productivity gap between Mid South West region and the remainder of Northern Ireland.</p> <p>In developing the RES we have led an extensive engagement process across the region. The strategy has been shaped and directed by industry and relevant stakeholder bodies. Recognising the distinctiveness of MSW as a private sector led economy, we engaged with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions required to unlock economic potential in the region contributing to increased productivity and GVA. In addition, we engaged to determine how spending powers can be used to drive and scale, retain and grow businesses to ensure full economic prosperity is delivered for all.</p> <p>There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.</p>
Political opinion	<p>There is no qualitative or quantitative data to suggest that the Mid South West Regional Economic Strategy will have an adverse impact upon this group. The overall aim of the Strategy is to raise productivity levels for the region, and in doing so create better more and better paid jobs for citizens, and close the productivity gap between Mid South West region and the remainder of Northern Ireland.</p> <p>In developing the RES we have led an extensive engagement process across the region. The strategy has been shaped and directed by industry and relevant stakeholder bodies. Recognising the distinctiveness of MSW as a private sector led economy, we engaged with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions required to unlock economic potential in the region contributing to increased productivity and GVA. In addition, we engaged to determine how spending powers can be used to drive and scale, retain and grow businesses to ensure full economic prosperity is delivered for all.</p>

	<p>There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.</p>
Racial group	<p>There is no qualitative or quantitative data to suggest that the Mid South West Regional Economic Strategy will have an adverse impact upon this group. The overall aim of the Strategy is to raise productivity levels for the region, and in doing so create better more and better paid jobs for citizens, and close the productivity gap between Mid South West region and the remainder of Northern Ireland.</p> <p>In developing the RES we have led an extensive engagement process across the region. The strategy has been shaped and directed by industry and relevant stakeholder bodies. Recognising the distinctiveness of MSW as a private sector led economy, we engaged with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions required to unlock economic potential in the region contributing to increased productivity and GVA. In addition, we engaged to determine how spending powers can be used to drive and scale, retain and grow businesses to ensure full economic prosperity is delivered for all.</p> <p>There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.</p>
Age	<p>There is no qualitative or quantitative data to suggest that the Mid South West Regional Economic Strategy will have an adverse impact upon this group. The overall aim of the Strategy is to raise productivity levels for the region, and in doing so create better more and better paid jobs for citizens, and close the productivity gap between Mid South West region and the remainder of Northern Ireland.</p> <p>In developing the RES we have led an extensive engagement process across the region. The strategy has been shaped and directed by industry and relevant stakeholder bodies. Recognising the distinctiveness of MSW as a private sector led economy, we engaged with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions required to unlock economic potential in the region contributing to increased productivity and GVA. In addition, we engaged to determine how spending powers can be used to drive and scale, retain and grow businesses to ensure full economic prosperity is delivered for all.</p> <p>There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive</p>

	and engaging workplaces. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.
Marital status	<p>There is no qualitative or quantitative data to suggest that the Mid South West Regional Economic Strategy will have an adverse impact upon this group. The overall aim of the Strategy is to raise productivity levels for the region, and in doing so create better more and better paid jobs for citizens, and close the productivity gap between Mid South West region and the remainder of Northern Ireland.</p> <p>In developing the RES we have led an extensive engagement process across the region. The strategy has been shaped and directed by industry and relevant stakeholder bodies. Recognising the distinctiveness of MSW as a private sector led economy, we engaged with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions required to unlock economic potential in the region contributing to increased productivity and GVA. In addition, we engaged to determine how spending powers can be used to drive and scale, retain and grow businesses to ensure full economic prosperity is delivered for all.</p> <p>There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.</p>
Sexual orientation	<p>There is no qualitative or quantitative data to suggest that the Mid South West Regional Economic Strategy will have an adverse impact upon this group. The overall aim of the Strategy is to raise productivity levels for the region, and in doing so create better more and better paid jobs for citizens, and close the productivity gap between Mid South West region and the remainder of Northern Ireland.</p> <p>In developing the RES we have led an extensive engagement process across the region. The strategy has been shaped and directed by industry and relevant stakeholder bodies. Recognising the distinctiveness of MSW as a private sector led economy, we engaged with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions required to unlock economic potential in the region contributing to increased productivity and GVA. In addition, we engaged to determine how spending powers can be used to drive and scale, retain and grow businesses to ensure full economic prosperity is delivered for all.</p>

	<p>There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.</p>
Men and women generally	<p>There is no qualitative or quantitative data to suggest that the Mid South West Regional Economic Strategy will have an adverse impact upon this group. The overall aim of the Strategy is to raise productivity levels for the region, and in doing so create better more and better paid jobs for citizens, and close the productivity gap between Mid South West region and the remainder of Northern Ireland.</p> <p>In developing the RES we have led an extensive engagement process across the region. The strategy has been shaped and directed by industry and relevant stakeholder bodies. Recognising the distinctiveness of MSW as a private sector led economy, we engaged with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions required to unlock economic potential in the region contributing to increased productivity and GVA. In addition, we engaged to determine how spending powers can be used to drive and scale, retain and grow businesses to ensure full economic prosperity is delivered for all.</p> <p>There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.</p>
Disability	<p>There is no qualitative or quantitative data to suggest that the Mid South West Regional Economic Strategy will have an adverse impact upon this group. The overall aim of the Strategy is to raise productivity levels for the region, and in doing so create better more and better paid jobs for citizens, and close the productivity gap between Mid South West region and the remainder of Northern Ireland.</p> <p>In developing the RES we have led an extensive engagement process across the region. The strategy has been shaped and directed by industry and relevant stakeholder bodies. Recognising the distinctiveness of MSW as a private sector led economy, we engaged with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions required to unlock economic potential in the region contributing to increased productivity and GVA. In addition, we engaged to determine how spending powers can be used to drive and scale, retain and grow businesses to ensure full economic prosperity is delivered for all.</p>

	There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.
Dependants	<p>There is no qualitative or quantitative data to suggest that the Mid South West Regional Economic Strategy will have an adverse impact upon this group. The overall aim of the Strategy is to raise productivity levels for the region, and in doing so create better more and better paid jobs for citizens, and close the productivity gap between Mid South West region and the remainder of Northern Ireland. With an emphasis on extending the range of higher-level apprenticeships and degree apprenticeships and their promotion, this will have a positive impact on younger people and their parents/families of these young people.</p> <p>In developing the RES we have led an extensive engagement process across the region. The strategy has been shaped and directed by industry and relevant stakeholder bodies. Recognising the distinctiveness of MSW as a private sector led economy, we engaged with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions required to unlock economic potential in the region contributing to increased productivity and GVA. In addition we engaged to determine how spending powers can be used to drive and scale, retain and grow businesses to ensure full economic prosperity is delivered for all.</p> <p>There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.</p>

Screening Questions

1. What is the likely impact on equality of opportunity for those affected by this policy for each of the Section 75 categories?

Category	Policy Impact	Level of impact (Major/minor/none)
Religious belief	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	Positive Minor
Political opinion	The overall aim of the strategy is to impact positively on the life of citizens by creating more	Positive Minor

	and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Racial group	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	Positive Minor
Age	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. With an emphasis on extending the range of higher-level apprenticeships and degree apprenticeships and their promotion, this will have a positive impact on younger people and their parents/families of these young people.	Positive Minor
Marital status	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	Positive Minor
Sexual orientation	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	Positive Minor
Men and women generally	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	Positive Minor
Disability	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills	Positive Minor

	base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Dependents	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. With an emphasis on extending the range of higher-level apprenticeships and degree apprenticeships and their promotion, this will have a positive impact on younger people and their parents/families of these young people. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	Positive Minor

2. Are there opportunities to better promote equality of opportunity for people within the Section 75 categories?

Category	If yes, provide details	If no, provide reasons
Religious belief	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Political opinion	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Racial group	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Age	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills	

	base to ensure full economic prosperity is delivered for all. With an emphasis on extending the range of higher-level apprenticeships and degree apprenticeships and their promotion, this will have a positive impact on younger people and their parents/families of these young people. There will be an onus on the employers and businesses themselves in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Marital status	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Sexual orientation	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Men and women generally	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Disability	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. There will be an onus on the employers and businesses in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
Dependents	The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure full economic prosperity is delivered for all. With an emphasis on extending the range of higher level apprenticeships and degree apprenticeships and their promotion, this will have a positive impact on younger people and	

	their parents/families of these young people. There will be an onus on the employers and businesses themselves in MSW to actively promote the development of productive, inclusive and engaging workplaces.	
--	---	--

3. To what extent is the policy likely to impact on good relations between people of different religious belief, political opinion, or racial group?

Category	Details of Policy Impact	Level of impact (major/minor/none)
Religious belief	.	None
Political opinion		None
Racial group		None

4. Are there opportunities to better promote good relations between people of different religious belief, political opinion or racial group?

Category	If yes, provide details	If no, provide reasons
Religious belief		No
Political opinion		No
Racial group		No

Multiple Identity

Generally speaking, people fall into more than one Section 75 category (for example: disabled minority ethnic people; disabled women; young Protestant men; young lesbian, gay and bisexual people). Provide details of data on the impact of the policy on people with multiple identities. Specify relevant s75 categories concerned.

The overall aim of the strategy is to impact positively on the life of citizens by creating more and better jobs for all and future proof the skills base to ensure economic prosperity in MSW. As detailed above a range of section 75 categories will benefit from this Strategy.

Disability Discrimination (NI) Order 2006

Is there an opportunity for the policy to promote positive attitudes towards disabled people?

Future proofing the skills base emerged as the top priority and is one of the four intervention pillars. However, businesses may need to take steps to ensure that workplaces are inclusive and can accommodate disabled people.

Is there an opportunity for the policy to encourage participation by disabled people in public life?

N/A

Screening Decision

A: NO IMPACT IDENTIFIED ON ANY CATEGORY – EQIA UNNECESSARY

Please identify reasons for this below

B: MINOR IMPACT IDENTIFIED – EQIA NOT CONSIDERED NECESSARY AS IMPACT CAN BE ELIMINATED OR MITIGATED

Where the impact is likely to be minor, you should consider if the policy can be mitigated or an alternative policy introduced. If so, an EQIA may not be considered necessary. You must indicate the reasons for this decision below, together with details of measures to mitigate the adverse impact or the alternative policy proposed.

The focus of the MSW Regional Economic Strategy is about making the region a better place to live and work for all citizens. It aims to help MSW businesses be innovative, create jobs and grow in local and international markets, improve physical infrastructure and connectivity, enhance tourism performance, and upskill our people to enable an economy that works for everyone.

‘Future Proofing’ the skills base is one of the four intervention areas and there are potential actions/project concepts for further development that will impact on different section 75 categories. Whilst at this stage the RES is a ‘direction of travel document’, it is anticipated that by extending the range of higher-level apprenticeships and degree apprenticeships and the promotion of same, this will result in a positive impact on younger people and their parents/families of young people.

Initiatives to promote career attractiveness will be important in going forward, resulting in the development of productive, inclusive and engaging workplaces. As well as the workforce environment, businesses will be encouraged to increasingly offer different employment models, flexi-working, contract and portfolio working-all of which have the potential to significantly change the way they attract, invest and develop skills in future. Flexibility will appeal to a range of categories but could benefit in particular men and women with dependants. Inclusive workplaces will benefit many section 75 categories by removing barriers to participation in employment for men, women, persons with different religious belief, political opinion, racial group, sexual orientation, those with a disability and those with dependants. The MSW region has a reliance on migrant labour and it is imperative that it continues to attract workers from outside the region. Further measures may be required in order to achieve this.

C: MAJOR IMPACT IDENTIFIED – EQIA REQUIRED

If the decision is to conduct an equality impact assessment, please provide details of the reasons.

N/A

Timetabling and Prioritising

If the policy has been screened in for equality impact assessment, please answer the following questions to determine its priority for timetabling the equality impact assessment.

On a scale of 1-3 with 1 being the lowest priority and 3 being the highest, assess the policy in terms of its priority for equality impact assessment.

Priority criterion	Rating (1-3)
Effect on equality of opportunity and good relations	
Social need	
Effect on people's daily lives	

The total rating score should be used to prioritise the policy in rank order with other policies screened in for equality impact assessment. This list of priorities will assist the council in timetabling its EQIAs.

Is the policy affected by timetables established by other relevant public authorities? If yes, please give details.

--

Monitoring

Effective monitoring will help the authority identify any future adverse impact arising from the policy. It is recommended that where a policy has been amended or an alternative policy introduced to mitigate adverse impact, monitoring be undertaken on a broader basis to identify any impact (positive or adverse).

Further information on monitoring is available in the Equality Commission's guidance on monitoring (www.equalityni.org).

Identify how the impact of the policy is to be monitored

--

Approval and Authorisation

A copy of the screening form for each policy screened should be signed off by the senior manager responsible for that policy. The screening recommendation should be reported to the relevant Committee/Council when the policy is submitted for approval.

Screened by	Position/Job title	Date
Helen Gormley	Mid South West Region Project Officer	22/01/2020
Claudine McGuigan	Mid South West Region Programme Manager	04/02/2020
Approved by	Position/Job Title	Date
	Strategic Director	05/02/2020

Please forward a copy of the completed policy and form to:

mary.hanna@armaghbanbridgecraigavon.gov.uk

who will ensure these are made available on the Council's website.

The above officer is also responsible for issuing reports on a quarterly basis on those policies "screened out for EQIA". This allows stakeholders who disagree with this recommendation to submit their views. In the event of any stakeholder disagreeing with the decision to screen out any policy, the screening exercise will be reviewed.

APPENDIX 1

SECTION 1

Defining the activity subject to Section 1(1) of the Rural Needs Act (NI) 2016

1A. Name of Public Authority

Armagh City, Banbridge and Craigavon Borough Council on behalf of Mid South West Region.

Mid South West is a collaboration between Armagh, Banbridge and Craigavon Borough Council, Fermanagh and Omagh District Council and Mid Ulster District Council.

1B. Please provide a short title which describes the activity being undertaken by the Public Authority that is subject to Section 1(1) of the Rural Needs Act (NI) 2016

Development of a Regional Economic Strategy (RES)

1C. Please indicate which category the activity specified in Section 1B above relates to

Developing a	Policy		Strategy	X	Plan	
Adopting a	Policy		Strategy		Plan	
Implementing a	Policy		Strategy		Plan	
Revising a	Policy		Strategy		Plan	
Designing a Public Service						
Designing a Public Service						

1D. Please provide the official title (if any) of the Policy, Strategy, Plan or Public Service document or initiative relating to the category indicated in Section 1C above

Mid South West Regional Economic Strategy

1E. Please provide details of the aims and/or objectives of the Policy, Strategy, Plan or Public Service

Approximately two thirds of all residents in Mid South West region, live within rural areas. Therefore, the Regional Economic Strategy seeks to allow for appropriate development opportunities in urban and rural areas, whilst at the same time, protecting our sensitive environmental areas from inappropriate development. This is important if we are to maintain the vibrancy of the rural area and ensure it continues to be a place where

people live and work and also be somewhere which fosters the entrepreneurial spirit, which is a distinct characteristic of the region. Having said that we are custodians of some of the most unique landscapes and internationally important nature conservation sites which must be protected from inappropriate and over dominant development.

The headline ambition of the Mid South West Regional Economic Strategy is to raise productivity levels across the region and in so doing create better paid jobs for residents and close the productivity gap between MSW and the rest of NI. Closing sectoral productivity gaps in MSW has the potential to be equivalent to a 4.3% uplift of the NI economy. This growth will be facilitated via a range of appropriate interventions across the region including the countryside and in the rural settlements, as well as through appropriate rural economic development opportunities.

The strategy outlines the growth and development vision for the Mid South West region. It focuses on strengths, challenges, specific and targeted economic interventions and investments to drive productivity in the region over the longer term. The ambition is to 'supercharge' the growth of the collective economy and ensure inclusive prosperity in MSW.

MSW RES demonstrates that a range of funding sources and policy changes will be required to realise the benefits of the strategy. It will build on the region's economic strengths and contribute to improving the competitiveness of Northern Ireland overall. This means:

- boosting productivity
- delivering more and better jobs
- tackling inequalities
- greater investment in the area
- supporting our businesses to innovate and grow
- improving skills
- ensuring future skills to meet the needs of our growing economy and the resilience of the place.

The MSW Region has significant strengths in the following sectors:

- Advanced manufacturing, materials and engineering
- Agri-food
- Life and Health Sciences
- Digital and creative technologies
- Tourism
- Construction

The strategy addresses the regional economic balance and outlines the key areas of economic, infrastructure and development activity that the MSW region will commit to in developing a regional economic agenda to transform economic performance in both urban and rural areas.

Action/implementation plan for interventions to be developed at a later stage.

1F. What definition of 'rural' is the Public Authority using in respect of the Policy, Strategy, Plan or Public Service?

Population Settlements of less than 5,000 (Default definition).	X
Other Definition (Provide details and the rationale below).	
A definition of 'rural' is not applicable.	

Details of alternative definition of 'rural' used.

N/A

Rationale for using alternative definition of 'rural'.

N/A

Reasons why a definition of 'rural' is not applicable.

N/A

SECTION 2

Understanding the impact of the Policy, Strategy, Plan or Public Service

2A. Is the Policy, Strategy, Plan or Public Service likely to impact on people in rural areas?

Yes	X	No	If the response is NO GO TO Section 2E .
-----	---	----	--

2B. Please explain how the Policy, Strategy, Plan or Public Service is likely to impact on people in rural areas.

The default definition of “rural” used in Northern Ireland is those settlements with a population of 5,000 or less together with the open countryside. Therefore, everywhere in the Mid South West region outside of the hub settlements is classed as being rural. This means that Mid South West region is a predominantly rural region with approximately 478,317 residents of which two thirds are classed as rural dwellers and therefore, this strategy will clearly have an impact on what is defined as the rural area.

The strategy sets out the ‘direction of travel’ in relation to our vision and ambition for the region; it identifies the opportunities and challenges we face; and sets out the four priority ‘pillars’ around which future investment and actions to realise our ambitions should be framed. Priority pillars include enabling infrastructure, boosting innovation and digital activity, building a high-performing visitor/tourist economy, and ‘future proofing’ the skills base. Furthermore, it provides an early, high level indication of potential specific projects/interventions that may sit under each of these ‘pillars’ - which will be the subject to ongoing development and delivered through the subsequent action/implementation plan.

The focus of MSW Regional Economic Strategy is about making the entire region a better place to live and work for all citizens in both urban and rural areas. Its primary aims are to support MSW businesses to be innovative, create jobs and grow in local and international markets, improve physical infrastructure and connectivity to harder to reach areas, enhance tourism performance, and upskill our people to enable an economy that works for everyone.

To achieve the headline ambition of the strategy, investment in infrastructure is a critical enabler to realising growth ambitions, given the significant deficits that exist in several aspects of the basic economic infrastructure for competitiveness in MSW. The RES highlights the serious gaps in our basic infrastructure and the data that shows a high proportion (40%) of

Super Output Area's are ranked amongst the most deprived in NI for access to services. This indicator covers travel time by private and public transport to a range of services and the proportion of properties with slow broadband. The access to services deprivation referenced also reflects the fact that much of the MSW region has relatively poor access to higher speed broadband connections. The largely rural nature of the region requires almost positive investment in this respect.

Through investment in our basic infrastructure including: roads, rail, broadband and mobile phone coverage, enhanced electricity supply and site development; this will lead to social benefits for rural areas which are the result of increased wealth and economic prosperity.

Consequently, actions that we will take through the RES to improve our physical infrastructure and connectivity will have an immediate impact on our productivity and potential for growth, making the MSW a more attractive region to higher skilled individuals and for business investment

Whilst at this stage the RES is a strategic framework, it is anticipated that the subsequent action / implementation plan is likely to have a significant positive impact on rural people by supporting the development of interventions that will 'supercharge' the growth of our collective economy and ensure inclusive prosperity.

2C. If the Policy, Strategy, Plan or Public Service is likely to impact on people in rural areas differently from people in urban areas, please explain how it is likely to impact on people in rural areas differently.

The Regional Economic Strategy aims to target both individuals and businesses across the district in both rural and urban areas, and does recognise the circumstances of 'rural' in terms of the issues that they face. It takes account of access to training and employment and acquirement of skills opportunities as well as looking at infrastructural support for rural areas (broadband, mobile phone coverage, roads network, utilities etc). It will also consider access to services and the ability of rural dwellers to continue to access essential services.

'Future Proofing' the skills base is one of the four intervention areas in the strategy. There are potential actions/project concepts for further development that will impact equally on people living in both urban and rural areas. Extending the range of higher-level apprenticeships and degree apprenticeships and the promotion of these will have a positive impact on younger people and their parents/families of these young people. Initiatives to promote career attractiveness include the development of productive, inclusive and engaging workplaces. As well as the workforce environment itself, businesses will be encouraged to increasingly offer different employment models, flexi-working, contract and portfolio working-all of which have the potential to significantly change the way they attract, invest and develop skills in future. This approach will benefit many people living in rural areas.

2D. Please indicate which of the following rural policy areas the Policy, Strategy, Plan or Public Service is likely to primarily impact on.

Rural Businesses	X
Rural Tourism	X
Rural Housing	X

Jobs or Employment in Rural Areas	X
Education or Training in Rural Areas	X
Broadband or Mobile Communications in Rural Areas	X
Transport Services or Infrastructure in Rural Areas	X
Health or Social Care Services in Rural Areas	
Poverty in Rural Areas	
Deprivation in Rural Areas	
Rural Crime or Community Safety	
Rural Development	X
Agri-Environment	X
Other (Please state)	

If the response to Section 2A was YES GO TO Section 3A.

2E. Please explain why the Policy, Strategy, Plan or Public Service is NOT likely to impact on people in rural areas.

N/A

SECTION 3

Identifying the Social and Economic Needs of Persons in Rural Areas

3A. Has the Public Authority taken steps to identify the social and economic needs of people in rural areas that are relevant to the Policy, Strategy, Plan or Public Service?

Yes	X	No		If the Response is NO GO TO Section 3E.
-----	---	----	--	---

3B. Please indicate which of the following methods or information sources were used by the Public Authority to identify the social and economic needs of people in rural areas.

Consultation with Rural Stakeholders		Published Statistics	X
Consultation with Other Organisations	X	Research Papers	X
Surveys or Questionnaires		Other Publications	
Other Methods or Information Sources (include details in Question 3C below).			

3C. Please provide details of the methods and information sources used to identify the social and economic needs of people in rural areas including relevant dates, names of organisations, titles of publications, website references, details of surveys or consultations undertaken etc.

In developing the RES and in other work to date, we have led an extensive engagement process across the region. In effect this RES has been extensively shaped and directed by the industry/business base within MSW, aligned to the fact that it is their commitment, drive and ambition that have contributed to the growth and success of our region to date and will be instrumental to realising our future potential. Recognising the distinctiveness of MSW as a private-sector led economy, we prioritised engagement with businesses and membership bodies to understand the opportunities and challenges facing them and the interventions needed to unlock further growth in GVA and productivity for our region. Many of the businesses with whom we engaged are based in rural locations.

In addition, we have consulted with elected officials, Government departments/agencies, Invest NI, Skills Bodies, Higher and Further Education Institutions, and Universities to ensure buy in and input from key stakeholders across MSW and Northern Ireland.

Data produced as part of developing Community Plans, Local Development Plans and Corporate Plans across the three Mid South West Region Councils, has also been used to identify the social and economic needs of people in the region.

3D. Please provide details of the social and economic needs of people in rural areas which have been identified by the Public Authority?

Mid South West region is a predominantly rural district with approximately two thirds of its population living in the rural area.

Mid South West region has a vibrant rural area consisting of active communities, a strong entrepreneurial spirit which contributes to the overall employment base and rural villages with considerable character and heritage importance. This vibrant rural area needs to be supported and sustained if it is to remain as a vitally important part of our region. This means that the Rural Economic Strategy needs to deliver a suite of project interventions and policy changes which can allow adequate flexibility to provide for infrastructure, innovation, digital activity, enhanced tourism economy and employment opportunities in rural areas, whilst still protecting the character and heritage of the countryside and rural villages.

As well as the need to sustain the rural area and consolidate its current situation, there are also various elements of rural life which have been identified as needing to be improved. The rural area in Mid South West region suffers from some of the poorest broadband speeds and worst mobile data coverage in Northern Ireland. In addition, parts of the rural area also experience some of the longest journey times to acute hospital services when compared against the rest of Northern Ireland. These issues contribute to social isolation and feelings of exclusion by reducing the levels of connectivity between the rural area and the main urban centres. The Rural Economic Strategy must therefore endeavour to address these needs in order to help reduce the feelings of social isolation and exclusion which are being experienced by many in rural areas.

3E. Please explain why no steps were taken by the Public Authority to identify the social and economic needs of people in rural areas?

N/A

SECTION 4

Considering the Social and Economic Needs of Persons in Rural Areas

4A. Please provide details of the issues considered in relation to the social and economic needs of people in rural areas.

Councils representing the Mid South West region have considered the need for providing enabling infrastructure, enhancing local employment opportunities within the area, diversifying the economy with a particular focus on 'future proofing' the skills base and creating opportunities within all sectors including new and emerging sectors.

In terms of providing infrastructure in order to tackle some of the problems which contribute to rural isolation and social exclusion across the region, the RES must be capable of protecting existing and building new key transport corridors which link the main hub towns in the District to each other and to the wider rural area as well.

Despite the MSW region being recognised as the 'economic engine' of NI, and a highly entrepreneurial economy with favorable survival rates, there is evidence that too many of our indigenous businesses fail to grow. Over 86% of local businesses have less than 10 employees compared to 83.9% in NI. In addition, over a third of MSW businesses have a turnover of less than £50,000 compared to a quarter across NI. The need for continued support for SMEs in both urban and rural areas has been acknowledged.

Underinvestment in transport infrastructure; shortfalls in digital connectivity; the lack of incubator, office and light industrial facilities; as well as shortage of labour / skills in more recent years – are contributing factors to the fact that too many of our indigenous businesses fail to grow. There were also suggestions that insufficient technology adoption was hindering productivity, competitiveness and business growth more generally in the SME economy. Therefore, a key ambition within the RES will be to enhance the leadership skills of our existing business owners and workforce, as well as provide support to our businesses with technology adoption for growth and development. Given the scale of our small business base in MSW the potential for growth in rural areas is enormous.

The strategy recognises that issues of poverty and social isolation exist within the region, and in particular rural areas. Our economy is near or at full employment, with high levels of resident employment and relatively low levels of inactivity and unemployment. Broadly speaking, our region does not suffer from excessive concentrations of deprivation, albeit that there are 'deep pockets' of deprivation in some localities, which would be within the top 10

percent of most deprived Super Output Areas (SOAs) in NI. As two thirds of the MSW region is located in rural areas, deprivation has higher prevalence among rural dwellers.

As previously stated, a key issue for many rural dwellers is that of access to services, health and employment and their associated need for appropriate infrastructure in all areas, those living in rural areas often experience these more acutely due to their geographical isolation, lower density and the dispersed rural nature of many rural settlements across the MSE region. This is further compounded by the limited availability of public transport infrastructure and the blackspots of poor or no broadband provision in the rural areas. The strategy stipulates the need for mitigations to ensure that all dwellers, irrespective of their rurality, have access to good broadband and mobile phone connectivity.

SECTION 5

Influencing the Policy, Strategy, Plan or Public Service

5A. Has the development, adoption, implementation or revising of the Policy, Strategy or Plan, or the design or delivery of the Public Service, been influenced by the rural needs identified?

Yes	<input checked="" type="checkbox"/>	No		If the response is NO GO TO Section 5C .
-----	-------------------------------------	----	--	--

5B. Please explain how the development, adoption, implementation or revising of the Policy, Strategy or Plan, or the design or delivery of the Public Service, has been influenced by the rural needs identified.

The aims, objectives, interventions and operational subject policies of the MSW Regional Economic Strategy will encourage sustaining rural communities and ‘supercharging’ the growth of the collective economy to ensure inclusive prosperity for all.

In terms of interventions, policy changes and economic development opportunities the strategy sets out opportunity for all businesses, and in particular SME sector to grow and be more productive. The strategy also seeks to protect and consolidate major areas of existing rural industry by enhancing their capabilities in crucial enabling technologies such as data analytics, robotics, automation, artificial intelligence, augmented reality, advanced materials and production techniques, and exploiting the growth opportunities these technologies provide.

The strategy highlights the major utility infrastructure deficits in relation to the prevailing wastewater network capacity and state electricity supply across the region. The deficit in relation to wastewater network capacity is a major constraint on housing development in rural settlements and on the development of serviced industrial land, to enable business expansion. In addition, it highlights the need for research on a policy agenda change in respect of the regeneration of our rural areas.

Actions that we take through the implementation of the RES to improve our infrastructure, enhance innovation and digital activity, build our tourism economy and ‘future proof’ the skills base will have an immediate impact on our productivity and potential growth, making our rural areas more attractive to higher skilled individuals and for business investment.

If the response to Section 5A was YES GO TO Section 6A.

5C. Please explain why the development, adoption, implementation or revising of the Policy, Strategy or Plan, or the design or the delivery of the Public Service, has NOT been influenced by the rural needs identified.

N/A

SECTION 6

Documenting and Recording

6A. Please tick below to confirm that the RNIA Template will be retained by the Public Authority and relevant information on the Section 1 activity compiled in accordance with paragraph 6.7 of the guidance

I confirm that the RNIA Template will be retained and relevant information compiled.

x

Rural Needs Impact Assessment undertaken by:	Helen Gormley
Position/Grade:	Mid South West Region Project Officer
Department/Directorate	Place
Signature:	
Date:	9 February 2020
Rural Needs Impact Assessment approved by:	Olga Murtagh
Department/Directorate:	Place
Division/Branch	
Signature:	
Date:	10 February 2020