Service Level Agreement (SLA)

2014-2016

Between

Enterprise Ireland (EI)

And

Crafts Council of Ireland Limited t/a Design & Crafts Council of Ireland (DCCol)

November 2013
Service Level Agreement between Enterprise Ireland and the Design & Crafts Council of Ireland

1.0 Background

This document constitutes an agreement between Enterprise Ireland (EI) and the Crafts Council of Ireland Limited t/a the Design & Crafts Council of Ireland (DCCol) regarding certain policy matters including performance metrics to which DCCol is subject. This agreement is not intended to supersede or replace any statutory, legislative or other reporting requirements with which DCCol is obliged to comply.

Status of EI

EI is a body corporate established by the Industrial Development (Enterprise Ireland) Act 1998. The agency operates in accordance with the provisions of the Industrial Development Acts 1986-2009 and under the aegis of the Minister for Jobs, Enterprise and Innovation.

Status of DCCol

DCCol is a company limited by guarantee and is therefore established under and regulated by the Companies Acts 1963-2012. The objects are set out in the Memorandum and Articles of Association of DCCol.

2.0 Roles of the Respective Bodies

Enterprise Ireland partners with entrepreneurs, businesses and the research and investment communities to develop Ireland’s international trade, innovation, leadership and competitiveness, leading to increased employment and prosperity in Ireland. EI’s ultimate objective is to foster growth in exports, leading to increased employment and prosperity in Ireland.
DCCol is the national development organisation for the crafts and design industry in Ireland. DCCol is responsible for fostering the growth and commercial strength of the craft and design industry in Ireland, communicating its unique identity and stimulating quality design, innovation and competitiveness.

Following the recent Economic Impact Review of DCCol carried out by Tom Martin & Associates/TMA on behalf of Enterprise Ireland, the parties to this agreement concur that DCCol’s remit should include some aspects of design and that the Crafts Council of Ireland becomes the Design and Crafts Council of Ireland.

3.0 Duration of this Agreement

This Service Level Agreement will cover a 3-year period commencing January 1st 2014.

4.0 Service Delivery

Enterprise Ireland is responsible for the development and growth of Irish enterprises in world markets. It works in partnership with Irish enterprises to help them start, grow, innovate and win export sales on global markets. EI’s goals are to support sustainable economic growth, regional development and secure employment.

DCCol’s mission as articulated in its Strategic Plan 2013–2015 is to promote and stimulate the creative potential of Irish craft and design and to work in collaboration with strategic partners in the ongoing development and growth of the sector. The Strategic Plan has five main themes:

• Developing the market for Irish craft and design;
• Developing knowledge and skills in craft for emerging and existing craftmakers;
• Raising awareness, understanding and appreciation of Irish craft and design;
• Supporting membership organisations in the development of the crafts sector;
• Developing the innovation, enterprise and design capability of the crafts sector.

EI recognises that the successful implementation by DCCol of its strategy will not only assist the continued development of the crafts and design sector — particularly in terms of increasing its quality, design, innovation and competitiveness capabilities — but can also contribute to the achievement of Enterprise Ireland's own enterprise development objectives. Enterprise Ireland disburses funding on the basis that DCCol's policies reflect EI's mission and national policy with regard to the development of small/micro indigenous enterprises. Enterprise Ireland is also cognisant of the DCCol wider sectoral remit – cultural, education, capability development and promotion which includes raising the profile of Irish craft among consumers,

To enable EI (and its parent department, the Department of Jobs, Enterprise and Innovation) to assess the impacts of DCCol's activities from an enterprise development perspective, DCCol has converted the organisation's main targets into key impact metrics and these metrics include the main enterprise development targets and other targets reflecting the organisation's wider remit as outlined in its 3-year strategic plan. DCCol will submit to EI an annual operational plan outlining the targets it intends to attain for each of the three years covered by this SLA.

The impact metrics to be included in the annual operational plan are agreed upon between EI and DCCol and are appended to this SLA. While the baseline data needs to be gathered and refined, they are likely to include the following metrics:

• Value of annual domestic sales achieved by DCCol top 150 client companies;
• Value of annual international sales achieved by DCCol top 150 client companies;
• Number of clients participating at Showcase;
• Number of new craft enterprises established;
• Number of client companies with ecommerce-enabled web sites;
• Number of client companies with potential to transfer to EI;
• Number of DCCol client’s full-time and part-time employees as recorded through the Forfas employment survey or through the LEO network or other appropriate mechanisms.

DCCol will provide EI with an updated report and commentary on these impact targets on a biannual basis in order to assess their level of achievement and ensure their feasibility.

DCCol will provide EI with drafts of any amendments to existing strategies or new proposed strategies/actions in order for EI to have an opportunity to provide comments. Draft strategies will be provided after the DCCol Board has provided outline approval of any new/amended strategy but before formal sign-off by the DCCol Board and general publication of the strategy.

EI will inform DCCol of any changes in priorities and funding processes that could impact on the strategies/operations of DCCol.

5.0 Finance

Budgets
Enterprise Ireland disburses funding on an annual basis to DCCol from the budget it receives from the Department of Jobs, Enterprise and Innovation.

It will be the responsibility of DCCol to manage its budgets prudently in a manner which will enable it to achieve its objectives efficiently, effectively and economically.
DCCol must apply to EI for funding on an annual basis. Both organisations must facilitate meetings on the subject. Meetings between DCCol and EI will take place half yearly, covering both funding issues and the SLA generally.

EI will provide budget estimates to DCCol on an annual basis. EI will inform DCCol on a timely basis of its proposed allocation and any budgetary constraints. The annual allocation to DCCol will be approved by the EI Board on the basis of the current three-year Strategic Plan and this Agreement, which will include projected income and expenditure for the relevant period of the plan, updated biannually, and the agreed impact metrics.

**Draw-downs**
A schedule of draw-down dates over the year will be agreed between EI and DCCol in January, following confirmation of budget allocation. The specific process for requesting draw-downs and the required supporting documentation will be agreed by EI and DCCol.

**6.0 Key Deliverables**

**Reporting on Finance and Targets**
EI will be given the opportunity to comment on DCCol’s draft annual report and accounts prior to formal sign-off by the DCCol Board and the DCCol’s Annual General Meeting.

EI will ensure DJEI is kept fully informed of DCCol’s activity.

**Performance of DCCol**
In respect of value-for-money considerations, DJEI will be kept informed by EI of what DCCol is achieving with its allocated budget. In order to ensure value for money and maximum return on exchequer funds disbursed by EI to DCCol, DCCol
will report biannually on performance against targets as set out in or appended to this Agreement.

**Strategy Documents**
DCCol will consult with EI throughout the strategic planning process and submit the final draft of its strategy to EI prior to formal approval by the Board of DCCol. This refers to the strategic planning process from 2016 onwards.

7.0 **Information Sharing**

**DCCol Staffing**
EI will share its experience with DCCol on staff related matters. These arrangements will not alter the status of staff as employees of DCCol but rather will seek to ensure probity with regard to public expenditure.

**DCCol Pensions**
EI will share its experience with DCCol on pensions and provide advice to DCCol when required. As part of the annual budgeting process, DCCol should separately identify disbursements under the company pension schemes and identify future liabilities likely to arise in the following financial year.

8.0 **Responding to External Needs/Requests/Day-to-day items**

Representations made to EI and/or the Minister for Jobs, Enterprise and Innovation concerning DCCol or the craft and design industry generally will be forwarded for attention to DCCol. Requests for speech and/or briefing material, and responses to parliamentary questions, will be handled similarly. DCCol will provide quality speech and briefing material, in a timely manner, to EI and/or the Minister or his/her representatives on relevant events in the crafts, design and retail sectors including those with ministerial involvement. EI will also contribute in so far as it
may have knowledge of the crafts, design and retail sectors as well as views on best practice, key strategies, etc.

DCCoI will deal directly with any FOI requests in a timely manner and will consult with EI’s FOI Unit in this regard. They will keep EI informed of any proposed responses to same.

DCCoI will nominate a contact person(s), in addition to the CEO where appropriate who will be responsible for liaising with EI.

9.0 Other Operational Issues

Review of SLA
This SLA will be reviewed annually, in tandem with the relevant Action Plans for Jobs published by the Department of Jobs, Enterprise and Innovation and other relevant national policy statements impacting on crafts and design.

Contact persons
EI will nominate a contact person(s) in the Agency who will be responsible for liaising with DCCoI.

10. Signatures

This Service Level Agreement as agreed by EI and DCCoI on 28th November 2013.

Signed: Julie Sinnamon

Date: 9th December 2013

Julie Sinnamon, CEO, Enterprise Ireland

Karen Hennessy, CEO, Design and Crafts Council of Ireland Limited

28/11/2013
## Appendix

### Performance Indicators

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>Target 2013</th>
<th>Target 2014</th>
<th>Target 2015</th>
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<tbody>
<tr>
<td>Value of annual domestic sales achieved by top 150 DCCoI clients</td>
<td>XXX</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td>Value of annual exports achieved by top 150 DCCoI clients</td>
<td>XXX</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td>No. of clients participating at Showcase</td>
<td>180</td>
<td>190</td>
<td>200</td>
</tr>
<tr>
<td>No. of client companies with ecommerce-enabled websites</td>
<td>XXX</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td>No. of client companies with potential to transfer to EI</td>
<td>3</td>
<td>6</td>
<td></td>
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<tr>
<td>No. of DCCoI client's full-time &amp; part-time employees as recorded through the Forfas employment survey or through the LEO network or other appropriate mechanism</td>
<td>XXX</td>
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### Market Development:

- Irish retailers participating in 'Imagined, Designed Made in Ireland' 105 125 130
- International flagship retailers 5,000 5,075 5,150
- Buyers attending Showcase 15 30 30
- Support internationalisation of makers 2 TBC TBC
- Exhibit at flagship direct-selling events 83 90 100
- Launch ICSE programme 1 1 1
- Dublin Presence NCG Exhibitions (Kilkenny, Dublin & Touring) 14 14 20

### Innovation, Enterprise & Design:

- No. of Registered Craft Enterprises *note client register subject to review and segmentation* 2,800 2,900 3,000
- No. of clients on Business Development Programmes 377 442 507
- No. of clients on Design & Product Development Programmes 150 166 180
- No. of Memorandum of Understanding in place with strategic partners 3 3 3
- No. of JobBridge Internships as sanctioned in the Pilot Scheme for the craft & design sector 50 50 50
- Manufacturing Audit - 1 -

### Craft Awareness:

- AVE of media coverage for all activities (including Showcase) €2.2m €3m €3.5m
- % of public interested in buying & owning Irish craft measured through consumer perceptions research 55% 56% 58%

### Capability Development

- Regional Education Centres (EdC) 20 20 20
- Individual Primary Schools & Pupils participating 84 (2,500) 90 (2,600) 95 (2,700)
- Train The Trainer courses offered for craft-workers 4 6 6
- CCoI Skills Courses embedded with L7 standards achieved 2 2 2
- Support targeted craft sectors to develop 2yr certificated programmes (or similar) where training is under-developed 2 1 1
<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>Target 2013</th>
<th>Target 2014</th>
<th>Target 2015</th>
</tr>
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<tbody>
<tr>
<td>No. of students and general public participating in outreach programmes</td>
<td>3,300</td>
<td>3,500</td>
<td>3,700</td>
</tr>
<tr>
<td>No of strategic partnerships with educational bodies</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
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**Membership Organisations:**

| No. of Member Organisations | 66          | 68          | 70          |
| No. of Members availing of Network Support Schemes         | 20          | 20          | 20          |
| Strategic Planning for Members                              | 3           | 10          | 10          |