

INVEST NORTHERN IRELAND BOARD MINUTES 2019

January 23, 2019

February 26, 2019

March 27, 2019

April 30, 2019

May 22, 2019

June 26, 2019

August 28, 2019

September 25, 2019

October 23, 2019

November 27, 2019

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**ONE HUNDRED AND SIXTY-FIRST MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 23 JANUARY 2019
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)

Brian Baird

Padraig Canavan

Deborah Lange

Ken Nelson

Mark Nodder

Scott Rutherford

Rose Mary Stalker

Mark Sweeney

Judith Totten

In Attendance: Alastair Hamilton, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Des Gartland, Jeremy Fitch, Peter Harbinson, Steve Harper, Olive Hill and Charles Hamilton

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.00pm

Apologies: Dr Gerard O'Hare

The Chair asked members to declare any conflicts of interest relating to today's meeting agenda. No conflicts were declared however Scott Rutherford noted QUB's involvement in Artemis Technologies Limited.

2. ITEMS FOR DISCUSSION

2.1 BUSINESS STRATEGY – SECTORS – FINANCIAL SERVICES

Brian Dolaghan, Executive Director for Business & Sector Development along with Karen Bradbury, Client Manager for Financial Services provided an update on the Financial Services sector.

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Karen presented a brief history of how the financial and professional services sector had developed in Northern Ireland. Karen detailed the financial and professional services clusters and presented a SWOT analysis of the sector. In closing her presentation, Karen laid out the strategic action plan which included areas of focus such as promoting 4000-6000 new jobs by 2022; establishing Fintech NI; continued collaboration with universities and industry representatives to develop the skills pipeline and exploring opportunities with NI Connections to promote the sector with NI diaspora.

Padraig Canavan stated that it was good to see the sector growing in Northern Ireland and felt that AI was a particular area for future development. Padraig asked if there was an update on Cognitive Analytics Research Lab (CARL). Jeremy Fitch stated that discussions were ongoing.

Scott Rutherford commented that with no competence centre in this area it may benefit the sector to have a challenge fund of some sort. Judith Totten stated that as chair of the International Professional Services Forum their focus is on talent and skills availability.

The Chair asked for a further discussion on AI to be included in the forthcoming Board strategy away day.

2.2 BUSINESS STRATEGY – SECTORS – TRUSTED BUSINESS PARTNER

Olive Hill, Executive Director for Business Strategy Implementation along with Paddy Robb, Transform Strategy Manager presented an update on implementation of the Trusted Business Partner (TBP).

Paddy stated that it is the organisations ambition to become a trusted business partner of choice. Over the last year a lot of progress has been made but that TBP is about cultural change. The key driver and objective is about delivering the best customer service to our clients. Paddy presented some of the activities that have helped to embed the TBP into the organisations culture.

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The Chairman thanked Paddy for his very informative presentation and stated that this was a great achievement and in particular the recent CSE result. The CEO stated that Invest NI was now the highest accredited organisation in Northern Ireland.

The Board were particularly interested in the check-in and coaching documents and asked that copies be sent to the Board.

Action: Olive to ensure copies are forwarded to Board members.

3. MONTHLY REPORTING TO BOARD

3.1 MINUTES

Following one change to the draft minutes propose by Rose Mary Stalker, the minutes of the November Board meeting were agreed as a full and true record of the meeting.

3.2 MATTERS ARISING

The Actions table was reviewed and addressed.

The Chairman thanked Rose Mary Stalker for putting herself forward for the Matrix Panel. As Rose Mary's Board term is due to finish, the Chairman will consider and discuss further with Rose Mary.

3.3 CEO REPORT

The CEO presented an update on the Innovation Accreditation scheme; the Graduate to Export Programme and showed the new international TV ads.

The CEO thanked Steve and his team who had worked hard to get the Graduate to Export Programme ready for launch in time to enable companies to avail of the next batch of university graduates. Brian Baird asked what the scale of the programme is and Steve confirmed that it will be 15 graduates per year for 3 years and that companies will carry out the recruitment process.

Padraig Canavan felt that it may be more advantageous to have a pool of graduates that companies can pull from rather than companies carrying out the recruitment.

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Steve stated that the intention is to have all the companies recruit at the same time. The CEO remarked that it might be worth running a promotional campaign to promote the programme to the next set of graduates.

Action: Steve to consider how graduates are to be appointed to the Graduate to Export Programme.

The CEO asked the Board to note the Chief Executive's report. The CEO referred to a recent substantial project which has been approved and thanked those Board members who were involved in the casework process for this project. The CEO also highlighted the recent achievement in winning the Global Sourcing Association 'Delivery Destination of the Year 2018'. The entry was submitted by the Business Services sector team and the sector team and customers are already using it to profile themselves to parent companies.

The CEO also reported on some exciting developments on the horizon for the aerospace sector and provided an update on international staffing.

Directors Grainne McVeigh and William McCulla joined the meeting at 2.40pm to present an update on the corporate scorecard. The Chairman asked about SME involvement in R&D compared to large companies, Jeremy Fitch agreed to provide information on the numbers and split of support.

Action: Jeremy to provide information to Board members.

3.4 BREXIT UPDATE

David Roberts, Strategy introduced Peter Legge, Tax Partner from Grant Thornton.

Peter provided a presentation on how Grant Thornton have been supporting Invest NI to assess the impact of a No Deal Brexit on its client companies. Grant Thornton have identified three phases to how a No Deal will impact on businesses in Northern Ireland – Preparation, Disruption and Adjustment. Peter presented the risks and opportunities across the range of priority sectors. Peter referred to the report that had been produced which laid out more of the detail. The Chairman asked that the report be shared with Board Members.

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Action: Donal Durkan to provide a copy of the Grant Thornton report.

Board Members felt that the majority of businesses in Northern Ireland, and in particular SME's, are not, in any way, adequately prepared for a No Deal Brexit. The Board felt, that given the current lack of certainty, that many small businesses didn't have the resources or indeed the capacity to put plans in place when the nature of the issues have still to be defined.

It was proposed that the Chairman, on behalf of the Board, write to the leaders of the main local political parties to express concern about the preparedness of local businesses to address whatever circumstances they may face post 29th March 2019, but particularly if the United Kingdom faces a No Deal scenario.

Action: Chairman to issue letter.

Board Members also sought reassurances from the Executive Team that Invest NI would be able to effectively manage a significant increase in requests from client companies for advice, guidance and support in the event of a No Deal Brexit becoming a reality. The CEO stated that Day 1 plans will be shared with the Board at the forthcoming Board Away day.

Action: Donal Durkan to present Day 1 plans at the Board Strategy Away Day.

It was agreed by the Board that the organisation needs to now significantly increase communications on Brexit, and to ensure businesses are effectively signposted to relevant information resources, both internally and externally.

Action: Chief Executive and Peter Harbinson to discuss and draft plan.

3.5 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel reported that spend is currently £4.1m behind with a small number of high value claims; receipts will be £15.4m by end of year. Focus will be on delivery of end of year numbers and concentrating on corporate outturn. Mel reported that initial indications for 2019/20 budget will be a flat opening position and will be a one year budget

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allocation. Mel provided an update on the BSDL acquisition discussions between DoF and the Treasury.

Deborah Lange referred to the cash draw point in the Finance Report. Mel confirmed that this was an error and should refer to nine months not seven.

Ken Nelson left the meeting at 4pm.

3.6 ARC UPDATE

Deborah Lange, Chair of the Audit & Risk Committee (ARC) referred to November's minutes.

Deborah reported that she had attended a meeting of ARC Chairs of Departmental Arm's Length Bodies. Deborah reported to the Board on the discussions at this meeting including an update on Permanent Secretary powers, assurance statements, departmental commercial skills, whistleblowing policies and the move to consolidated accounts.

3.7 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter highlighted that Invest NI will be supporting the NI Chamber of Commerce in their bid for Northern Ireland to host the 2023 World Chambers Conference. Peter also reported that the Ignite Accelerator application had now closed with 132 applications, significantly up on last year, with a number from outside of NI.

3.8 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

4. CHAIRMAN'S BUSINESS

The Chairman reported that he had attended a dinner with Emma Wade-Smith who is the HM Trade Commissioner for Africa. The dinner meeting had an education focus and was attended by members from the Universities. Mark stated that the UK

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government has given a significant amount of money to be spent in Africa. The Chairman has asked the Sector Development Manager to take this forward with a view to getting local companies to joint bid with education bodies.

A.O.B.

There was no further business.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be the annual Board strategy away day. It will take place on Tuesday 26th and Wednesday 27th January 2019 and will be held at La Mon Hotel & Country Club, Comber.

The Board Meeting ended at 4.30pm.

Arora Upritchard, January 2019

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**ONE HUNDRED AND SIXTY-SECOND MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 26 FEBRUARY 2019
LA MON HOUSE HOTEL, COMBER**

Present:

Invest NI Board

Gerard O’Hare (Deputy Chairman)	Brian Baird
Padraig Canavan	Deborah Lange
Ken Nelson	Scott Rutherford

In Attendance: Alastair Hamilton, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Des Gartland, Jeremy Fitch, Peter Harbinson, Steve Harper, Olive Hill and Charles Hamilton

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 3.45pm

Apologies: Mark Ennis (Chairman), Mark Sweeney, Judith Totten, Mark Nodder, Rose Mary Stalker

The Deputy Chairman asked members to declare any conflicts of interest relating to today’s meeting agenda. No conflicts were declared.

2. MONTHLY REPORTING TO BOARD

2.1 MINUTES

The minutes of the January Board meeting were agreed as a full and true record of the meeting.

2.2 MATTERS ARISING

The Actions table was reviewed and addressed.

Scott Rutherford asked if a link to the Graduate to Export web page could be shared.

Action: Steve to send link to Scott Rutherford.

2.3 CEO REPORT

The Chief Executive asked the Board to note the CEO report.

The CEO referred to the jobs announcement made yesterday by Signifyd commenting that this resulted from a lead made by a member of the US Advisory Council on the West Coast. The CEO relayed the positive comments made by Signifyd's CEO in the company's decision to invest in Northern Ireland.

The CEO reported he had recently met with two HM Trade Commissioners (Asia Pacific and Africa). Invest NI is receiving great support from the Trade Commissioners and the organisation is now well connected to this group.

Deborah Lange asked the executive team what trends they are seeing in the pipeline. Steve Harper gave an update on the FDI pipeline; Jeremy Fitch reported on R&D.

The Deputy Chairman asked if there had been any impact with regards to Brexit. Steve stated that there had been no impact in terms of the number of visits but the Brexit debate was causing some market confusion.

2.4 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel reported that at this stage the organisation is £8.1m behind budget; slightly ahead of this time last year. The baseline variance is explained by a delay in SFA grant claims related to a small number of larger value claims that are being followed up by the client teams. The Finance team are actively monitoring the value of claims that are forecast to be received in the final quarter.

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Mel also reported that resource receipts are ahead of budget by £1.2m and the capital receipts are on profile. The forecast for resource receipts up to the year-end is on track, and may exceed the budget allocation. Any receipts over budget will be used to offset any programme resource pressures.

Mel stated that new guidance has been received from the Treasury regarding write-offs. Invest NI has no ability to control write-offs and potentially could require budget cover going forward. Mel stated that the potential risk to the organisation in future years is that it may not have budget cover to manage write-offs, and either overspends or takes money from other activities to cover any potential write-off. Mel has made representations to the Department and signalled pressures for next year.

2.5 ARC UPDATE

Deborah Lange, Chair of the Audit & Risk Committee (ARC) provided a verbal update on February's ARC meeting.

Deborah reported that Internal Audit provided an update on progress against the 2018/19 audit plan stating that they are still on schedule to complete. The 2019/20 audit plan was also discussed but the Chief Executive is still to meet with Internal Audit to finalise. There is a suggestion to reduce the number of review days from 450 days to 350 days. The NI Audit Office also presented the external audit strategy for this fiscal year and the Committee approved the strategy.

Deborah stated that ARC had been due to carry out their self-assessment but this will need to be rescheduled. The Committee is also proposing to review the skills required by Board Members to sit on the Audit & Risk Committee and this will assist with the forthcoming recruitment of new Board members.

Mel Chittock provided an update on the recent hardware failure of the Oracle system. Mel stated that the proposal is to move to a cloud based solution and are currently working through procurement challenges. Brian Baird asked if there is a proposal to

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move other organisational software to cloud based solutions. Mel confirmed that this would be part of the technology review.

Deborah reported that the Information Governance Manager had also provided a GDPR update to the Committee.

Deborah closed by noting that Board membership on ARC would reduce from 5 to 2 at the end of this year with 3 Board Members coming to the end of their time on the Board, and asked that consideration is given to having new members appointed to ARC over the coming months.

Action: Chairman to consider future membership of ARC Committee

2.6 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter reported that there has been an increase in the comms around Brexit, rolling out the first set of webinars to staff and have also started to communicate Day One contingency planning to staff via newsweekly.

Peter highlighted two forthcoming announcements in Downpatrick and Derry/Londonderry.

2.7 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

A.O.B.

Brian Baird asked the executive team for an update on the ICT skills challenge. Brian Dolaghan stated that he and the Permanent Secretary had recently met with the Vice Chancellors of the two main universities and separately with sector companies; there is a debate in terms of what the sector companies actually need. A more in-depth update will be provided at the Board strategy session tomorrow.

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3. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 27th March 2019 and will be held at Invest NI HQ.

The Board Meeting ended at 4.40pm.

Arora Upritchard, February 2019

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**ONE HUNDRED AND SIXTY-THIRD MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 27 MARCH 2019
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)	Brian Baird
Padraig Canavan	Deborah Lange
Ken Nelson	Mark Nodder
Gerard O'Hare	Scott Rutherford
Rose Mary Stalker	Mark Sweeney

In Attendance: Alastair Hamilton, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Des Gartland, Jeremy Fitch, Peter Harbinson, Steve Harper, Olive Hill and Charles Hamilton

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.00pm

Apologies: Judith Totten

The Chairman asked members to declare any conflicts of interest relating to today's meeting agenda. No conflicts were declared.

ITEMS FOR DISCUSSION

2.1 REVISED APPROACH TO EVALUATIONS

David Roberts, Economist, provided an update on the organisation's revised approach to evaluations.

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David detailed the current evaluation arrangements and the reason behind the proposed changes. David stated that the new approach would see a move towards thematic evaluations, segmentation in line with our trusted business partner model and stand-alone evaluations where appropriate.

A number of Board members were unsure how the move to this new approach would work. David explained in more detail and stated that this new approach was in addition to what we do at project level. The Department for the Economy are keen Invest NI continues to undertake PPEs and they will continue to test those. There will also be a need to implement any recommendations that stem from the RHI Inquiry.

The Chairman stated that he would like to see a worked example to fully understand the process and to provide a more holistic view.

Action: Example to show process from monitoring through to evaluation – map out the various steps, what will this new approach replace, what will we stop doing, what are the risks, cost savings etc. This will be presented at the May Board meeting.

Rose Mary Stalker arrived at 13.45pm.

2.2 INNOVATION ACCREDITATION

Jeremy Fitch introduced Paul O’Callaghan, Innovation & Technology Solutions Executive who presented this item.

Paul provided an overview of the Innovation Recognition Award and the Internationally Recognised Innovation Accreditation. The Innovation Accreditation process is a comprehensive 6-8 week process; at the end of which the company will receive an in-depth innovation report and score.

Mark Sweeney stated that he had been sceptical at the start but wished to congratulate Paul on bringing this process to life. Paul explained the journey and the difference between a company receiving an innovation recognition certification and the accreditation award.

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Mark Nodder commented that the process is probably more important to the company than the certificate. Mark asked who provided the UK innovation ranking. Paul stated that the Office of National Statistics carries out a survey every two years including companies in Northern Ireland however only around 600 companies are sent the survey. Paul stated that he is currently developing a platform that will allow us to track companies so that in two years' time our platform will provide real figures instead of relying on the national survey.

Mark Nodder asked if we are confident that there is no conflict with any other agency in this field i.e. Matrix. Paul stated that only one other organisation, namely South West College, is in this space and we are not in competition with them.

Brian Baird asked if we had the right consultants to make a success of this. Do the consultants have the capacity to complete this process? Paul reported that Orryx Consulting is the only consultant but that we can call on a pool of accreditors from Innovation 360. It is hoped we will start with 20-25 companies going through the accreditation.

2.3 KPI DATA

Steve Harper, Executive Director delivered a presentation to provide an overview of FDI in Northern Ireland compared to the other regions of the UK and a range of other Small Advanced Economies.

In summary, NI is the highest region for UK FDI jobs per head and Belfast the highest city. Our top performing sectors compared to other UK regions are Automotive Components; Business Services; Food & Tobacco; Industrial Equipment; Software & IT. Our top performing sectors compared to other small advanced economies are Aerospace; Business Services; Communications; Food & Tobacco; Software & IT. Finally, NI outperforms USA, China, India, Brazil, Russia & Germany for FDI jobs per head.

3. MONTHLY REPORTING TO BOARD

3.1 MINUTES

The minutes of the February Board meeting were agreed as a full and true record of the meeting.

3.2 MATTERS ARISING

The Actions table was reviewed and addressed.

The Chairman thanked those Board members who had agreed to their extensions, to the end of December, as this will allow continuity for the Board and also on the Audit & Risk Committee whilst the process for recruiting new board members commences.

3.3 CEO REPORT

The Chief Executive asked the Board to note the CEO report.

The Chief Executive stated that he was impressed with the volume and quality of events at a sectoral level. He wished to highlight the Terex announcement which was the seventh announcement in the North West region creating 100 new jobs and bringing the total jobs announced for the region in the past year to 800.

The Chief Executive also reported that he and Steve Harper had a successful trip to the USA and it is encouraging to see that we are now getting some good referrals from our US network.

The Chief Executive also provided an update on a number of areas discussed at the recent Board away day.

Jeremy Fitch informed the Board of recent discussions with the universities in regards to skills. Next steps will be to gain industries view with CBI offering to help to gather this. This will happen at a meeting on 30th April.

3.4 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel reported that Finance are forecasting a small underspend on FTC due to a project not proceeding in this financial year. Finance are currently managing additional receipts and as a result have transferred £500k back to the Department. Overall our position will be very close to our budget allocations.

The Chairman wished to congratulate the Finance team on the average processing time for claims at 26 days; which is ahead of the corporate target of 30 days.

3.5 BREXIT

Donal Durkan, Executive Director provided an update on Brexit including the current position, update on activity and the organisation's continuity plan.

Donal reported that 828 Online Assessments have been completed to date with over 12,000 unique visits to the 'Get Ready for Brexit' website. Over 1,000 businesses have now attended one of the seven Invest NI Brexit Information Workshops. A staff training session was also held at the start of March, with 215 attendees. Donal provided details of a proposed Brexit Summit Partnership Event on 16th April.

Action: Donal to circulate further information on this event.

Ken Nelson wished to put on record that the co-ordination between Invest NI and InterTradeIreland had been excellent on all the Brexit events. He had one concern regarding the potential to get clogged up with basic enquiries and to ensure that we concentrate on the key issues. This was noted by Donal and he will discuss with the Brexit team to be aware of concerns raised.

Olive Hill wished to acknowledge the staff who have been putting themselves forward for rotas to deal with queries from clients in particular over the recent bank holiday.

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3.6 ARC UPDATE

Deborah Lange, Chair of the Audit & Risk Committee (ARC) asked the Board to note the minutes of February's Audit & Risk Committee meeting.

Deborah referred to the minutes of the recent committee meeting. Deborah reported that the Audit & Risk Committee had worked on their self-assessment with a brainstorming session and have come up with some suggestions. Deborah reported that the committee is still to finalise the risk appetite paper and this will be circulated to Board when completed.

Deborah also reported that there are a number of whistleblowing and fraud cases ongoing and she will report back to Board members in due course if required.

3.7 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter referred to the overview on recent PR activity including some media Steve Harper carried out whilst in the USA which will be issued over the coming weeks. Peter informed the Board that we will now be slowing down the Brexit campaign until more clarity becomes available.

Peter informed the Board that purdah is now in place until 2nd May.

3.8 CASEWORK REPORT TO THE BOARD

There were no caseworks to note this month.

A.O.B.

The Chairman reminded Board members that they need to complete their GDPR training.

The Chairman asked Board members if they had any feedback or comments on the new electronic system, Decision Time, to feed back to the Board Secretariat.

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The Chairman asked Board members if they had any comments on the draft Board Operating Framework paper tabled. Deborah Lange raised a query on the approval of caseworks over £1m. Deborah also asked if the framework should include any information on board member's gifts, hospitality and expenses. It was agreed to cross reference that Board members come under the Invest NI staff policies in these areas and to include these as an appendix, along with the Nolan principles. The Chairman stated subject to these changes that the Board Operating Framework be approved.

Action: Approved

4. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Tuesday 30th April 2019 and will be held at Invest NI HQ.

The Board Meeting ended at 3.20pm.

Arora Upritchard, March 2019

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**ONE HUNDRED AND SIXTY-FOURTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 30 APRIL 2019
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)

Brian Baird

Padraig Canavan

Deborah Lange

Mark Nodder

Rose Mary Stalker

Mark Sweeney

Judith Totten

In Attendance: Alastair Hamilton, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Des Gartland, Jeremy Fitch, Peter Harbinson, Steve Harper and Charles Hamilton

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.00pm

Apologies: Ken Nelson, Scott Rutherford and Dr Gerard O'Hare

The Chairman asked members to declare any conflicts of interest relating to today's meeting agenda. Rose Mary Stalker declared a conflict in the approval of the Collaborative Growth Network for GES, this is part of the MEA Manufacturing Task Force activity.

ITEMS FOR DISCUSSION

2.1 ERDF AND ESF FUNDING

Jeremy Fitch introduced Diarmuid McLean, Department for the Economy.

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Diarmuid provided a presentation to the Board on the Shared Prosperity Fund. Diarmuid stated that the ERDF Investment in Growth and Jobs Programme for 2014-20 provides additional spending power within Northern Ireland of £250.2m whilst the ESF Investment in Growth and Jobs Programme for 2014-20 provides an additional £202.7m of spending power.

The current ERDF/ESF funding will end in 2020 with drawdown to 2023 and whilst UKG has committed to establishing a replacement fund it is not simply about replacing like for like. Diarmuid detailed some of the possibilities to replace these funds but stated that comprehensive assessments would need to be undertaken on the current areas and levels of support provided and agreement on priority areas for investment and support going forward. In all likelihood this is likely to involve major policy decisions and cessation of support in some areas.

Dr Sweeney stated that there are risks and opportunities with any major change; we need to be careful we don't lose ourselves in negatives as there are some good ideas. Diarmuid stated that the Department have been willing to engage on a joint approach with MHCLG to develop new interventions but that they need to understand how it sits in the NI block.

Rose Mary Stalker stated that one certainty is that the Treasury will be looking for efficiencies and asked how good our evidence base is. Diarmuid replied that he thinks it is very good and that the Department have been very diligent in regards to the programmes and evaluations. Rose Mary also asked if there is anything to learn from other regions. Diarmuid stated that the Scottish Executive will be visiting to share their insights.

The Chairman thanked Diarmuid for his presentation and Diarmuid left the meeting.

2.2 SMART WORKING

Donal Durkan, Executive Director, introduced Paddy Robb & Siobhan Haughey who delivered an update on smart working.

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Paddy and Siobhan provided an overview on what smart working is; the drivers for change; the benefits of smart working and the current pilot project. Paddy stated that the pilot project will be for three months concluding in June; after which an evaluation will be carried out and recommendations presented to the Executive Leadership Team and Invest NI Board.

Dr Sweeney asked if there were any concerns post pilot. Paddy stated that if the organisation proceeds with this style of working that it will need to ensure there is consistent line management, regular support for staff and clarity in roles. Siobhan stated that there are expectations from staff around this pilot and that it is about getting the balance around staff, the organisation and client's right. There will be challenges across roles but the pilot has taken this in to account. Padraig Canavan asked that the pilot also surveys colleagues who did not take part as they may not have the same expectations.

The Chairman thanked Paddy and Siobhan for their presentation and the Board looks forward to hearing the recommendations following the review.

3. MONTHLY REPORTING TO BOARD

3.1 MINUTES

The minutes of the March Board meeting were agreed as a full and true record of the meeting.

3.2 MATTERS ARISING

The Actions table was reviewed and addressed.

The Chairman referred to the action for new Audit & Risk Committee members and stated that the skill set for new Board Members should consider audit, governance and risk management. Deborah Lange commented that the Audit & Risk Committee is currently undertaking an audit of skills for this committee.

3.3 CEO REPORT

The Chief Executive asked the Board to note the CEO report.

The Chief Executive highlighted two major project announcements in recent weeks. He also reported that recruitment of communication staff in international locations is starting to make a major impact. The Chief Executive also provided an update on the movement of senior posts in the overseas offices.

3.4 END OF YEAR RESULTS

Operating Directors George McKinney, Dr Vicky Kell and Bill Montgomery presented the end of year results.

Dr Kell opened the presentation by stating that the year-end scorecard was in a good position. The organisation has missed the target on absenteeism but this has been improving over the last quarter. A number of policies and procedures have now been put in place to help address this target going forward. This is a strong performance for the customer, people & process quadrants.

Dr Kell and George McKinney took the Board through each target of the performance quadrant targets. All targets for 2018/19 in this quadrant have been met.

The Chief Executive stated that this is a tremendous year's outcome and reported to the Board that the scorecard is now managed at Operating Director level and they should be proud of the achievement this year.

The Board wished to put on record their congratulations to the Operating Directors for this achievement.

3.5 OPERATING PLAN 2019-20

The Operating Directors presented, for the Board's consideration and approval, the 2019/20 Operating Plan.

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The main debate centred on the year 3 targets for innovation and scaling. Dr Kell explained the rationale for these targets however the Board were not content to approve the proposed targets and asked that these be amended.

The Board confirmed that, following the requested changes, they were content to approve the 2019/20 Operating Plan.

APPROVED.

3.6 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report. Mel summarised the provisional outturn for 2018/19 which has been reported to the Department.

Resource budget; net outturn of 99.77% equating to a variance of £214k. Resource Programme baseline expenditure is £2,331k over budget. Programme salaries outturn is £384k under budget. Admin expenditure is £42k under budget largely due to a reclassification of expenditure from admin to capital in the BSDL group. Resource Receipts are £2,119k over the £8.2M budget which allows us to over spend. This is explained by additional grant clawback that was not expected.

Capital budget; net outturn of 33.54% equating to a variance of £978k. Capital baseline is £1,692k over budget. Financial Transactions Capital ring-fenced budget is £981k under budget, out of a total budget of £10m. Cash Draw for the year was £96m, which was fully drawn down. This funded all payments that were required up to the end of March.

Mel reported that the opening budget allocations for 2019/20 have now been confirmed. Largely the position is a flat opening position with the roll forward of 2018/19 opening allocations in the absence of a comprehensive spending exercise.

Mel reported that June monitoring has been completed and the Finance team will be proposing some adjustments. Capital demands from divisions have been allocated and the proposed reduction reflects excess budget that cannot be utilised at this stage

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and so is being returned for re-allocation. The Skills transfer will be against a specific DfE skills initiative that Invest NI is contributing towards.

The Chairman asked that the thanks of the Board be passed on to the Finance team for an excellent achievement this year.

3.7 BREXIT

Donal Durkan, Executive Director provided an update on Brexit.

Donal provided an update on the current position, update on activities and an update on any forward plans. Donal Durkan proposed and the Board agreed that the monthly Brexit update presentation would be stood down until there was something material to report.

3.8 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter stated that local PR activity has been curtailed due to purdah however there were a couple of good announcements as referred to by the Chief Executive. Peter stated that we will still have constraints due to the EU election purdah period.

Peter reported that we recently hosted an IMEA press trip to Northern Ireland and hoped to see some good press coverage in the coming months. Peter also referred to the overview of the organisations digital activity over the year which is up 60% over all digital platforms.

Peter provided the Board with an update on the forthcoming staff conference which is due to be held on 13th June.

3.9 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

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4. CHAIRMAN'S BUSINESS

The Chairman highlighted a forthcoming event being hosted by the International Business Group and Food team on 12th June as part of the international staff visit. The Chairman encouraged Board members to attend.

The Chairman reported that Invest NI staff have selected Air Ambulance NI as their corporate charity for the next two years.

The Chairman stated that the approved Board Operating Framework is now available in the document repository along with the updated gifts and hospitality policy and guidance on expenses.

A.O.B.

Deborah Lange wished to raise an area for discussion namely female representation within the organisation. Deborah would like to have a discussion to make sure there is nothing impeding women in the organisation progressing.

The Chief Executive stated that Olive Hill had recently undertaken a piece of work in this area and that he would share the findings. The Chief Executive stated that he would be happy to take this forward.

Action: Chief Executive

Brian Dolaghan referred to the recent announcement at Seagate and that they have just celebrated their 25th anniversary. Brian stated that this is a fantastic story and that it brought home the importance of those strategic investments. The Chairman suggested that this could be used as a case study for the forthcoming staff conference.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 22nd May 2019 and will be held at Allstate, May's Meadow, Belfast.

The Board Meeting ended at 3.40pm.

Arora Upritchard, April 2019

OFFICIAL – SENSITIVE – COMMERCIAL

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**ONE HUNDRED AND SIXTY-FIFTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 22 MAY 2019
ALLSTATE, MAY'S MEADOW, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)

Brian Baird

Deborah Lange

Ken Nelson

Mark Nodder

Dr Gerard O'Hare

Scott Rutherford

Rose Mary Stalker

Dr Mark Sweeney

In Attendance: Alastair Hamilton, Mel Chittock, Donal Durkan, Des Gartland, Peter Harbinson, Steve Harper and Charles Hamilton

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.45pm following a tour of the new Allstate offices.

Apologies: Padraig Canavan, Judith Totten, Jeremy Fitch, Brian Dolaghan, Amanda Braden

The Chairman asked members to declare any conflicts of interest relating to today's meeting agenda. No conflicts were declared.

ITEMS FOR DISCUSSION

2.1 ALLSTATE PRESENTATION / ICT SKILLS UPDATE

The Chairman introduced John Healy, Chief Executive of Allstate and Dr Owen Sims, Senior Policy Advisor, CBI.

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John welcomed the Board members to the new Allstate offices and thanked them for taking the time to tour the new facility. John provided a brief history of the new building and the progression of the company. John stated that the new office has the capacity to hold 1500 employees and that Allstate is also one of the largest employers in the North West (approximately 900 staff). John handed over to Dr Owen Sims from the CBI who delivered a presentation on the market for digital skills to show what is happening in the tech sector.

Dr Sim's presentation focussed on the growth of the digital economy; employment and jobs created in NI; recording the skills gap; reflections on wages and salaries and supply of people and digital skills.

Dr Sweeney asked what key things should be done differently to increase the skills supply. John stated that there is a real need to get HLAs working and also to work with the universities to improve their offerings. There is a need to align the sector better and it is hoped that the Digital Forum will help to move this forward.

Rose Mary Stalker asked how broad the forums remit will be and if other sectors will be involved. John stated that he doesn't want it to just be an IT sector conversation and perhaps they should include representatives from other sectors.

The Chairman thanked Dr Sims for his presentation and thanked John for offering his facilities to the Invest NI Board for their meeting. The Chairman stated that he was very impressed with Allstate's new offices and wished John and his staff great success as they continue to grow.

John and Dr Sims left the meeting.

2.2 MATERIALS HANDLING SECTOR

Bill Montgomery, Director of Advance Manufacturing & Engineering and Andrew Greer, Client Manager Materials Handling provided a presentation on the materials handling sector.

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Andrew provided an overview of this sector. Andrew's presentation included a SWOT analysis and key themes going forward including export development, innovation and R&D, supply chain development, skills and capacity and FDI.

Dr Sweeney asked how acute the skills shortage is in the engineering area. Andrew reported that there is a bit of tailing off, in part, due to an upsurge in 2016. Skills shortages started to become critical in 2017 which is when the forum was instigated. Andrew reported that salaries have increased in this sector but there is uncertainty on how things will look post Brexit. Bill felt that the sector is currently managing and that companies are being much more proactive in what they are doing to plug the skills gap.

Mark Nodder asked what Northern Ireland's USP is in this sector? Andrew stated that Northern Ireland has developed a small niche of great brands. Northern Ireland is well known, within this sector, for being best at distribution. Steve Harper stated that the way in which these companies distribute their products is best in class.

The Chairman thanked Andrew and Bill for their presentation and both left the meeting.

3. MONTHLY REPORTING TO BOARD

3.1 MINUTES

The minutes of the April Board meeting were agreed as a full and true record of the meeting.

3.2 MATTERS ARISING

The Actions table was reviewed and addressed.

3.3 CEO REPORT

The Chief Executive asked the Board to note the CEO report.

The Chief Executive wished to further comment on a few areas from his report. The Chief Executive referred to the recent announcement in the North West by Seagate.

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He stated that feedback had been very positive and highlighted the importance of manufacturing in this region.

The Chief Executive provided the Board members with an update on the plan to appoint NI Trade Ambassadors. It is hoped to have these appointments made within the next 3-4 months. The Chief Executive also provided feedback on his recent trip to Hong Kong and Singapore and reported that the new team is doing tremendously well and they are building excellent connections particularly at government levels.

The Chief Executive congratulated the Chairman on his recent success at the Institute of Directors awards in winning the Non-Executive Director award and wished him well as he goes forward to the national competition.

The Chief Executive reported on the draft year two results. He stated that it has been a really strong performance and that a more in depth presentation will be provided at the next Board meeting once the figures have been finalised.

The Chairman and Board members congratulated the Executive Leadership team on the excellent results and asked that their thanks be passed on to their teams.

3.4 FINANCE REPORT

Mel Chittock asked the Board to note the 2018/19 provisional outturn as reported in the Finance Report. Mel reported that the organisation has now completed the year-end accounting adjustments, and submitted the provisional outturn to DfE. The June 2019 monitoring round has also been submitted to DfE and the adjustments are noted in the Finance Report.

Mel wished to formally provide a report to the Board on Northern Ireland Co-operation Overseas (NI-CO). NI-CO's auditors presented their report to their ARC Committee in May and their opinion on the financial statements was unqualified and there were no issues to be reported to those charged with governance. Despite ongoing concerns around the impact of the UK's exit from the EU could have on the company, NI-CO results remain positive. Mel also stated that Invest NI will extend the tenure of the NI-

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CO Chairman and three Board Members by 12 months to 31st September 2020 to provide continuity of strategic guidance through the UK's exit from the EU.

3.5 AUDIT & RISK COMMITTEE

Deborah Lange, Chair of the Audit & Risk Committee provided a verbal update on the recent committee meeting.

Deborah reported that a meeting had been held with Internal Audit and NI Audit Office and no concerns were raised regarding the annual accounts. The Audit & Risk Committee approved the 2019/20 plan and Deborah reported that, whilst there was a reduction in hours for 2019/20 compared to 2018/19, over the two year period to 2020/21 all the proposed audits will be completed.

Deborah also reported that the Committee spent time reviewing the corporate, emerging and Brexit risk registers. The Committee also completed their self-assessment and a summary will be provided to Board in due course.

3.6 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter reported that there had been limited PR activity recently due to the two periods of purdah. Peter also reported that there had been some good feedback from the recent IMEA press visit.

Peter referred to the update provided on the organisations online advertising and the increase in the click through rate. Peter reported that the international general awareness campaign finished in March and should have the report on this within the next couple of weeks.

Peter advised Board members that the staff conference will take place on 13th June at 2pm in the Ulster Hall.

3.7 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

4. CHAIRMAN’S BUSINESS

The Chairman reminded Board members to complete their information security training.

The Chairman took the opportunity to thank Des Gartland for his time as Acting Executive Director and for all his work and contributions to the Board during this time.

A.O.B.

There was no further business.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 26th June 2019 and will be held at Invest NI HQ.

The Board Meeting ended at 3.50pm.

Arora Upritchard, May 2019

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**ONE HUNDRED AND SIXTY-SIXTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 26 JUNE 2019
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)

Brian Baird

Deborah Lange

Ken Nelson

Mark Nodder

Scott Rutherford

Rose Mary Stalker

Dr Mark Sweeney

Judith Totten

In Attendance: Alastair Hamilton, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Alan McKeown and Charles Hamilton

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.00pm.

Apologies: Pdraig Canavan, Dr Gerard O'Hare

The Chairman asked members to declare any conflicts of interest relating to today's meeting agenda. No conflicts were declared.

ITEMS FOR DISCUSSION

2.1 SKILLS UPDATE

Jeremy Fitch delivered a presentation on ICT skills challenges. The presentation focussed on the key skills challenges facing the region; a summary of the main labour availability challenges; how Invest NI is helping address the issues and what more can be done.

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Jeremy highlighted some of the newly established key groups including the CBI-NI Digital Forum which will hold its first meeting at the end of June and the recently launched NI Connections FinTech Pilot.

Rose Mary Stalker informed the Board of a community interest she has set up called 4C UR Future. 4C UR Future was an event aimed at highlighting the future career pathways and opportunities available to the students within the manufacturing and engineering sector. Rose Mary stated that this pilot was designed to inform and inspire young people to pursue a career within the manufacturing and engineering sector and that it is essential that we try to inspire children at this early stage.

Deborah Lange asked if FDI sales focus was specifically targeting financial services as per the pipeline update. Steve Harper confirmed that the organisation was not just focussed on this sector and that we are actively targeting multiple sectors for investment opportunities.

2.2 REVISED APPROACH TO EVALUATIONS

David Roberts, Economist, provided an update on the organisation's revised approach to evaluations. David's presentation followed up on areas raised from the presentation in March mainly focussing on the current programme evaluation arrangements; why we need a new approach; what the new arrangements will look like and the benefits for customers and for Invest NI.

Rose Mary Stalker stated that this was a very positive move from the client's perspective. Ken Nelson asked if this new approach will widen the pool of consultancy firms engaged in this work. David stated that whilst Invest NI operates from a framework contract the proposal is to procure via CPD therefore opening up to the market.

Mark Sweeney stated that the presentation had been very helpful in bringing out the inter-relationships but queried Competency Centres being evaluated as a stand-alone, as he felt that these should be covered under a thematic review. David stated that

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these will be evaluated as a collective rather than individually and therefore will be part of a bigger innovation evaluation.

The Chairman thanked David for his update on this new approach and David left the meeting.

3. MONTHLY REPORTING TO BOARD

3.1 MINUTES

The minutes of the May Board meeting were agreed as a full and true record of the meeting.

3.2 MATTERS ARISING

There were no outstanding actions for review.

3.3 CEO REPORT

The Chief Executive asked the Board to note the CEO report and briefed the Board on some recent engagements.

The Chief Executive reported that both he and Steve Harper had attended the recent Devolved Administrations Executive Forum meeting and stated that it is now in a good place helped by embedding our staff in to the DIT network.

The Chief Executive also provided some feedback on his visit to the Paris Air Show. He reported that the Invest NI stand was well supported by local companies, and provided an update on the 10 year aerospace plan with partners ADS.

The Chief Executive said that he had recently met with the new Lord Mayor of Belfast and this had been a very positive meeting.

The Chief Executive referred to the recent staff conference and highlighted that the organisation had launched a number of new staff related initiatives at this event

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namely the mental health strategy, personal growth vouchers and the long service awards.

Ken Nelson asked if the organisation provides employees with a statement of all the benefits they receive from the organisation. Amanda reported that whilst a personal statement is not provided there is an internal intranet page dedicated to 'benefits of employment with Invest NI' that details all of this information. This is also followed up with promotions via newsweekly during the year.

3.4 KPI RESULTS

Brian Dolaghan provided a detailed presentation on the 2018 key performance indicator results.

Brian began by giving an overview of the contribution to the Business Strategy targets and provided a summary of the 2018 portfolio. Brian looked at the wider picture of the portfolio moving on to a sectoral analysis of the 2018 KPIs, further breaking information down by external sales, employment numbers and the sector contribution by portfolio as well as the destination of sales. Brian closed his presentation by detailing sector performance and growth trends from 2013 to 2018. Brian felt that going forward there was a need to focus on scaling of companies.

Mark Nodder felt that the telling aspect of these results is that so much of Northern Ireland's sales is driven by a small clutch of companies which distorts the figures. He also agreed entirely that our focus on scaling should continue.

Mark Sweeney asked Brian how much of Northern Ireland's success, in the export markets, is related to currency – have we seen the surge? Brian felt that this has had an impact but stated Northern Ireland had some competitive advantages over other regions. Currency exchange fluctuation is definitely a risk but Northern Ireland needs to sell something people want to buy.

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3.5 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report. With only two months of reporting it was still very early in the year although it was encouraging that teams were slightly ahead of budget profiles.

Mark Sweeney asked Mel for his view in terms of the recent holiday pay case against the PSNI and if the organisation has taken this in to account. Mel stated that the organisation has very few areas where overtime is worked and the Finance team's assessment is that there will be minimal impact as a result of the case in question.

3.6 ANNUAL REPORT & ACCOUNTS

Katrina O'Dowd and Michelle McLoughlin of the Finance team joined the meeting.

Katrina presented the Annual Report and Accounts to the Board. She confirmed that these had been presented in detail to the Audit & Risk Committee (ARC) earlier and any key items discussed. As before, the accounts are consolidated and audited by NIAO. They include the BSDL group as well as NICO which are audited by Deloitte and PwC respectively. The consolidated accounts were submitted to NIAO for audit on 15 May 2019, and the audit work has now concluded with no issues arising. Katrina confirmed that the accounts were prepared on the same basis as last year apart from the implementation of IFRS 9 - financial instruments, an adjustment to the equity method of accounting for associates to take account of the subordination within the funds and the adoption of IFRS 15 – revenue recognition. Katrina stated that while the ARC had discussed some of the key numbers within the accounts, there were no material movements or issues that needed to be brought to the attention of the Board.

At this point Deborah Lange briefed members that the Audit had gone well. She congratulated the Finance team as it had been a difficult year. She noted that NIAO was very complimentary about Invest NI. She stated that a conversation has taken place about the quality of information received from NI Civil Service Pensions branch and highlighted our concerns about the lack of transparency in the information being provided.

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As Chair of the Audit and Risk Committee, Deborah stated that the Committee recommends that the Board approved the annual accounts and that the Chief Executive signs the letter of representation. Board members agreed with this proposal.

Agreed

The Chairman thanked Mel and the Finance team for their work on the accounts and asked that thanks from Board members be passed on.

3.7 AUDIT & RISK COMMITTEE

Deborah Lange, Chair of the Audit & Risk Committee (ARC) asked the Board to note the minutes of May's Audit & Risk Committee meeting.

Deborah also provided a verbal update on the committee meeting that took place this morning. Deborah reported that today's meeting was mainly focussed on the accounts. Deborah wished to raise the issue of the risk associated with the change of Chairman, Chief Executive and Board Members and feels this should be placed on the risk register. It was felt that a lot can be done to mitigate any risk through the induction process and that Board members should have input in the induction topics. ARC members have also completed the skills survey and she will be approaching the continuing Board members to also complete the survey, and a summary of skills will then be passed to the Board Secretariat for the new Chairperson.

Deborah stated that the risk workshop is an annual topic for discussion and ARC is recommending that this be placed on the Board agenda for October, when a new Chairperson will be in place and to utilise the experienced Board members before their departure at the end of this year.

Action: Risk workshop to be added to the forward planner.

3.8 EMERGING RISK REGISTER

Deborah Lange referred to the Emerging Risk Register.

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Deborah reported that the emerging risk register had been reviewed at the May ARC meeting. Deborah stated that AI has reached the point where it needs to be escalated to the corporate register. Deborah commented that questions were raised on how often the emerging risk register should be reviewed. The suggestion is that it returns every six months but is tabled sooner if required.

Mel felt that with the speed of change he was unsure how this document would pick up a fast moving issue. The Chairman felt that a quarterly graphic could be included with further discussion every six months.

Action: ELT to consider an Emerging Risk register graphic, to be included each quarter. Emerging Risk to be added as an item for Board discussion every six months.

3.9 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter commented that some activity had still been impacted by purdah. 2018/19 performance results were published through an online feature and associated social media activity. Peter also reported that there had been some good international press and that we have started to push out some announcements with more to follow over the summer months. Peter also stated that the recent Access to Finance event at Titanic Belfast had been well received.

3.7 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

4. CHAIRMAN'S BUSINESS

The Chairman reminded a number of Board members to complete their Information Security training.

A.O.B.

There was no further business.

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As this is the Chairman's last Board meeting, Deborah wished to acknowledge his tenure and commitment to the organisation. Mark is the longest serving Board member with 10 years and 4 months to his credit. On behalf of her fellow Board members, Deborah remarked that it has been a pleasure to serve with Mark and they wanted to wish him every success with his next journey.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 28th August 2019 and will be held at Invest NI HQ.

The Board Meeting ended at 3.15pm.

Arora Upritchard, June 2019

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**ONE HUNDRED AND SIXTY-SEVENTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 28 AUGUST 2019
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Rose Mary Stalker (Chair)	Brian Baird
Padraig Canavan	Deborah Lange
Ken Nelson	Mark Nodder
Dr Gerard O'Hare	Scott Rutherford
Dr Mark Sweeney	Judith Totten

In Attendance: Alastair Hamilton, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper and Charles Hamilton

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.10pm.

Apologies: Alan McKeown

The Chair opened the meeting by wishing to put on record her personal thanks, and that of her fellow Board members, for the outstanding leadership that the outgoing Chairman, Mark Ennis, demonstrated. The Chair stated that she will do her very best to live up to the standard set and that she looks forward to working with the Chief Executive and the Executive Leadership team.

The Chair also wished to acknowledge that this was Charles Hamilton's final board meeting as he is due to retire and on behalf of the Board wished him well as he goes forward.

The Chair asked Board members to declare any conflicts of interest relating to today's meeting. Scott Rutherford declared that Queen's University had involvement in the Energy Competence Centre, Tech Start, Future Screens NI, Neurovalens and City Deal.

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ITEMS FOR DISCUSSION

2.1 CUSTOMER SEGMENTATION

Brian Dolaghan delivered a presentation on the recent customer segmentation project. Brian stated that the purpose of today's presentation was to provide a refresh on the information previously presented to the Board in February at the away day. Brian detailed the current segmentation and support model and the proposed evolution of the new model. Brian described the main proposed differences and detailed the implementation strategy and the rationale behind the proposal.

Board members welcomed the presentation and liked the simplification of the segmentation model. Brian Baird felt that there is still a missing element namely market trends. In order to build a healthy economy we need to exploit burgeoning trends in the market. Brian Dolaghan indicated that this model is not to be taken in isolation and as Invest NI talks to its clients that sector strategies are overlaid. Brian Baird also reiterated his desire to see further customer analysis distinguishing the performance of product and service companies.

Padraig Canavan welcomed the move to use the regional offices more but would encourage relationship management rather than customer management. He would also encourage, where the teams are young, to lean more heavily on digital engagement. Mark Nodder raised concerns about the proposed digital engagement element of the new customer support team and would like further assurance on this point. Peter Harbinson confirmed that a digital update is due to come to Board next month.

Action: Peter Harbinson to cover in forthcoming digital presentation.

The Board were keen to understand how the organisation will measure success. Brian Dolaghan stated that the organisation will continue with the customer satisfaction survey but it will also be measured on how many customers move category and the frequency on which they do this. This new model allows for more regular interaction and a more focused service. Brian agreed to provide a verbal update in October on the measures for success.

Action: Brian Dolaghan & Alan McKeown to provide verbal update in October.

The Chief Executive stated that there is another aspect to this new model in that it helps the organisation to plug career progression gap. It will give staff opportunities to take their core skills in to a new environment and help to make the easier to step in to a client facing role.

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3. MONTHLY REPORTING TO BOARD

3.1 MINUTES

The minutes of the June Board meeting were agreed as a full and true record of the meeting.

3.2 MATTERS ARISING

The Action table was reviewed and addressed.

3.3 CEO REPORT

The Chief Executive asked the Board to note the CEO report and briefed the Board on some recent engagements.

The Chief Executive provided Board members with an update on two recent cases. He reported that Belfast City Council has set up a Manufacturing Forum and that the recent meeting had been led by the new Secretary of State for Northern Ireland and he had accompanied him to the meeting.

The Chief Executive updated the Board members on the outcome of the recruitment for the Head of the London Office and the successful candidate will take up post in October. He also confirmed that the official opening of the London Hub will take place on 26th September and agreed to provide a presentation update. The Chief Executive stated that he was very impressed with the design and fit out of the new hub and that it gives a real sense and feel of Northern Ireland.

Action: Steve Harper to provide presentation update on the London Hub

Mark Sweeney asked Steve Harper for his views on the activities in Hong Kong and what risk there was to Invest NI. Steve gave an update and stated that we are following the guidance from the Consulate.

3.4 PERFORMANCE UPDATE – QUARTER 1

Operating Directors, Charles Hamilton and Bill Montgomery, provided Board members with a performance update for quarter 1 of 2019/20.

Charles Hamilton began by highlighting the strong performance in the customer and people quadrants. The absence rate has continued to improve and this is to be welcomed. In the process quadrant budget spend has slipped ahead of profile. Bill Montgomery highlighted the

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position in the performance quadrant. Forecast position now reflects a system based forecast rather than target. Jobs performance has had an excellent start to the year across all job categories and Invest NI is performing very strongly to date in terms of job quality. R&D investment progress improved across June and July but still behind profile.

On the OPMR update, of the 20 targets 18 are categorized as green or amber-green. Two targets related to R&D Investment, have been re-categorised as amber following receipt of the latest Divisional update. On Scaling and Pre-Scaling, whilst there is no concern that the targets will be achieved, the Division remains confident that our quotas for both will be filled. The Chair asked on targets 6, 11 & 12 if the Directors are predicting these will be met. Charles confirmed that whilst it is a challenge the Operating Directors think this will be achieved. R&D will be the more difficult one to achieve.

Mark Sweeney stated it was good to see the change in the trajectory on absenteeism as he is aware a lot of work and effort has gone in to improving this.

The Chief Executive stated that this is one of the best quarter one reports the organisation has had in a long time. The Chair thanked Charles and Bill and asked they pass on the thanks of the Board to their colleagues on this good result.

3.5 BREXIT UPDATE

Donal Durkan provided a verbal update to the Board in terms of the current Brexit position.

Donal confirmed that with a much greater focus on No Deal preparations across government the internal Brexit Steering Group has been re-established. We are also working very closely with colleagues in DfE and InterTradeIreland on overall contingency planning and business preparedness and mitigations. This includes bids to central government for the development of new/enhanced interventions to help mitigate No Deal impacts, however it has been pointed out to Ministers that there is no mitigation available that could fully protect the economy in the event of a No Deal. Donal reported that over 1,000 businesses have now completed the Brexit Online Assessment Tool. A further staff training workshop and three Brexit Information Workshops have been organised for September, with a further two Information Workshops in October.

Board discussed the potential for a No Deal Brexit and the impact this will have on a range of sectors across Northern Ireland, and in particular the agri-food sector.

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The Chair asked for the Chief Executive's view. The CEO stated that trying to call this was an impossibility. He stated that Donal and his team have prepared for every eventuality as much as they can. We have done the right thing to bid for funding across a range of areas. In terms of resources, handling calls and dealing with customers the organisation is clear on what it can do and is fully prepared for every eventuality.

The Chair stated that it inspires her with confidence that Donal Durkan and his team on top of this. This is an important matter and should remain on the Board agenda for every meeting.

Action: Brexit Update to be a standing item on the Board Agenda until further notice.

3.6 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report. Mel reported that expenditure year to date is ahead of budget profile; this is a result of spend in three areas – rescue and restructuring support, grant for R&D and Access to Finance payments.

Mel reported that the Finance team is currently managing a resource pressure of £6m and detailed the outcome of the recent October monitoring bid and Brexit funding. Mel also reported that a bid of circa £500k had been made in relation to employer pension pressures. With regards to capital, Mel stated that the Finance team are currently managing a capital pressure of circa £3m predominately due to the rescue and refinancing assistance previously mentioned.

Deborah Lange asked what the plan is for resourcing staff quickly in relation to Brexit. Amanda Braden stated that the organisation is very good at flexing staff around the organisation and this is in hand.

3.7 AUDIT & RISK COMMITTEE

Deborah Lange, Chair of the Audit & Risk Committee asked the Board to note the minutes of June's Audit & Risk Committee meeting. Deborah stated that she provided a verbal update at the June Board and the minutes were attached for information.

Deborah confirmed that Mark Nodder has agreed to become a member of the Audit & Risk Committee. She thanked the Chair for her last two years' service on the Committee.

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Deborah provided an update on a case that she had reported to Board in March of this year. An independent review has been carried out, report received and the individual provided with feedback. Deborah stated the independent review process is now finished. The Report will now be handed over to the Executive Leadership team to consider and take forward actions. The Chair thanked Deborah (and the previous Chairman) for all their work on this.

3.8 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report. Peter referred to the customer satisfaction survey results for quarter 1 and the high overall satisfaction result. Peter stated that it had been a quiet summer period but that there had been a healthy level of enquiries coming through on the digital side.

Peter highlighted some of the forthcoming planned activity as detailed in the report. Peter confirmed he will continue to work with Donal on all Brexit related events and will update Board members with any information as it becomes available.

3.9 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

The Chair asked her fellow Board members to help to share the load on casework meetings as some members are taking the majority of the meetings.

4. CHAIR'S BUSINESS

The Chair stated that one of her immediate priorities was the recruitment of the new Chief Executive. In parallel to this, she confirmed that she had met with colleagues in DfE on the recruitment of non-executive members and the hope is to have this recruitment completed by Christmas.

A.O.B.

The Chair referred to the paper on female representation included in the Board pack. Donal Durkan provided an update on the process. The Chief Executive confirmed that the plan is to work through this in conjunction with the smart working pilot; as there is a lot of overlap in both these areas. An update will be provided to the Board on the outcome of the smart working pilot.

Action: Donal Durkan to present outcomes and future plans regarding the pilot.

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Deborah Lange referred to her work with Women in Business and their gender equality mark and thought it may be useful to apply for this as this process continues.

The Chair reflected that there are a lot of things to align but stated that she does not wish this process to delay any longer and requested that a presentation be made to Board as soon as plan has been devised.

Action: Donal Durkan to present on a female representation at a future Board meeting when the plan has been determined.

The Chief Executive took this opportunity to congratulate the new Chair on her appointment and stated that she has the full support of the Executive Leadership team.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 25th September 2019 and will be held at Invest NI HQ.

The Board Meeting ended at 3.45pm.

Arora Upritchard, August 2019

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**ONE HUNDRED AND SIXTY-EIGHTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 25 SEPTEMBER 2019
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Rose Mary Stalker (Chair)

Brian Baird

Padraig Canavan

Deborah Lange

Ken Nelson

Mark Nodder

Dr Gerard O'Hare

Scott Rutherford

Dr Mark Sweeney

Judith Totten

In Attendance: Alastair Hamilton, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper (left meeting at 3.30pm), Alan McKeown and Alistair Moffett

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.10pm.

Apologies: No apologies

The Chair introduced Alistair Moffett to the Board and stated that Alistair will be acting Board Secretary while the current recruitment is underway to replace the Divisional Director.

The Chair asked Board members to declare any conflicts of interest relating to today's meeting. Mark Nodder referenced his connection to Wrightbus and if discussions did arise he would excuse himself from the meeting. Scott Rutherford declared in interest in Project SCENIC in which Queen's University is involved.

1.1 MINUTES

The minutes of the August Board meeting were agreed as a full and true record of the meeting.

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1.2 MATTERS ARISING

The Action table was reviewed and addressed. The Chair requested that the update on female representation be scheduled on the November agenda.

2. ITEMS FOR DISCUSSION

2.1 DIGITAL STRATEGY

Peter Harbinson delivered an update on the organisation's digital transformation. Peter highlighted the increased digital footprint from 350K visits in 2010 to 11M+ sessions across five websites, 12K+ newsletter subscribers, supported by 16K+ web pages delivering content and e-learning. Peter detailed areas of online presence and the development of the online portal.

Peter laid out the digital transformation roadmap 2019-21, which will bring the organisation to the end of the current business strategy. Peter stated the main recommendations were to create a new Digital Experience Board to own/prioritise changes and to empower the new Digital Experience Team to drive new ways of working; collaboration culture, customer focus, innovation, smarter development, joined up/regression testing, tailored processes, with a more balanced approach to risk and compliance.

Mark Nodder stated that the presentation had been a useful update and reassured him that the organisation is not moving away from personal interaction with clients. Brian Baird stated that the question is still about having a single view of the customer and asked what the Departments attitude to this is? The Chief Executive stated that the Department does not need individual customer detail but looks for aggregated information, which the organisation can provide via reporting.

Alan McKeown stated that we are also working with Councils and have been piloting access to the portal with Mid & East Antrim Council. Data is currently being reviewed and Alan stated that he has just approved embedding officers within the Councils who are keen to understand our systems (and theirs) to provide the best quality of support to companies.

Dr Sweeney stated that this transformation was a big challenge and that he would like to see clear measures of success as it is important to see the progress we are making on this path.

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The Chair concluded the discussion by stating the need to define the outcomes that the organisation is trying to achieve; stating there is no reason why Invest NI should not be the 'go-to' place for the health of the economy in Northern Ireland. The Chair stated that she would like to see customers included in user groups and people who are not customers.

Mel Chittock stated that one of the key challenges in this digital transformation journey is the organisational structure. How do we better deliver our digital ambitions? Mel stated that he has recently carried out a review of his Group and detailed the elements that will move to new areas within his Group.

The Chair asked if the Executive team required any assistance from the Board during this digital transformation journey. Peter stated that he would intend to call on Board members to share their experiences. Scott Rutherford asked if this transformation is cost neutral or if there will be cost savings? Mel stated that there will be a small amount of cost but does not see this creating any financial pressure.

2.2 SMART WORKING

Donal Durkan introduced Paddy Robb and Siobhan Haughey. Paddy stated that today's presentation was to provide an update on the recent pilot which had taken place between April and June.

Paddy reminded the Board of the objectives of the pilot and the breakdown of the participants. The findings from the pilot demonstrated improvements in employee engagement, improvements for the staff working with the pilot participants, improvements or neutral impact on productivity and no negative impact on the service provided to customers. Paddy stated that the recommendation presented to the Executive team was an organisation wide phased roll out commencing in January 2020. Equipment, training and support will need to be in place along with a framework of policies, procedures and guidance.

The Chair asked the Executive team for their view. Whilst some members had been initially hesitant, the evidence is very compelling. The CEO stated that this will not be a one size fits all and is within the gift of each Executive team member to set the parameters within their groups.

Ken Nelson asked when rolled out if there is an opportunity to evaluate the whole organisation after a period of time. Paddy confirmed that the plan is to review after a year.

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Dr Sweeney stated that he was reassured by the honest input from the Executive team but that the initial pilot was a limited three month window and would be concerned with getting some sort of pilot bounce. Whilst there are clear, recognised benefits on the employee side, he would like to understand the management approach and see measures in place in less transactional areas. Dr Sweeney felt it was the right way to go but felt a longer term pilot is needed if the organisation cannot measure the outcomes.

Padraig Canavan stated that this is the way organisations now work and people will become more output (rather than input) focussed as it evolves.

The Chair commended the team on their work on this project and confirmed the support of the Board in moving this project forward.

2.3 CEO REPORT

The Chief Executive asked the Board to note the CEO report. The CEO stated he would provide an update on some recent cases. The CEO referred to Mark Nodder's declared conflict of interest in Wrightbus and stated that the update he was about to provide would not prevent him from remaining at the meeting as the information is within the public domain. The Chair agreed.

The CEO referred to the devastating news reported today that the Wrights Group are now in administration. The CEO wished to assure the Chair and the Board that Invest NI did everything possible to allow us to take the steps we did. The CEO confirmed that we did put a loan of £2.5m into the company and are now a creditor in the process. The CEO wished to pay particular thanks to Brian Dolaghan and Annesley Harrison who worked extremely hard on this case.

Brian Dolaghan wished to formally thank those Board members, who made themselves available, and stepped in to attend caseworks. Judith Totten also wished to acknowledge the work done by the team was phenomenal and it has been a very difficult situation to manage.

Ken Nelson recalled a previous board stakeholder event after a similar closure and asked if it would be prudent to carry out the same type of event. The CEO stated that as Wrights Group is now in administration it would be prudent to see that process through before holding any such event. It was agreed that lines to take would be issued to Board members.

Action: Peter to provide lines to take.

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The CEO reported that there were two projects which had been reported in the media as being stopped, namely Alert Logic and State Street. The CEO provided an update on the Harland & Wolff case.

The CEO continued with his report to Board and stated that he and Steve Harper had recently visited the US, which coincided with the retirement of Norman Houston of the NI Bureau who had been a 'star' in collaboration between Invest NI and the Bureau over the years. The CEO stated that he will attend the official opening of the new London Hub tomorrow. The CEO provided feedback on the first long service award event and stated that it had been a privilege to attend and feedback from staff had been that it was a great success.

Dr Sweeney queried a tourism project referred to in the report. The CEO stated that Invest NI execute these types of projects on behalf of Tourism NI who are the policy driver.

2.4 ECONOMIC OUTLOOK

Donal Durkan introduced David Roberts who presented an update on the economic outlook.

David stated that there has been continued UK growth in spite of Brexit uncertainty and the UK labour market has performed well overall. The NI economy has grown in 18 of the last 25 quarters. David reported that forecasters have the NI economy growing by up to 1.9% which means a tougher labour market in all likelihood in the medium term. The Ulster University Economic Policy Centre estimates that only 40,000 net jobs will be created in the next 10 years, a much slower level of growth than has been achieved in recent years. This is a big challenge and all forecasts come with a warning.

In closing, David stated that the UK and NI economies have been largely resilient in the face of significant uncertainty; a number of NI records broken; some companies are holding off on investment and global growth expected to continue and many NI businesses remain positive (or at least neutral) and see opportunities.

The Chair thanked David for his presentation and David left the meeting.

2.5 BREXIT UPDATE

Donal Durkan stated that at the last Board meeting, the Board had asked for assurances from the Executive Leadership Team on Invest NI's readiness and business continuity in respect of Brexit planning. Executive Leadership team members provided assurances on external and

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internal readiness covering customers; the Get Ready for Brexit website; solutions/programmes/initiatives; trade and international; Brexit strategy, Day One and Business Continuity planning.

In response to initiatives discussed, Ken Nelson asked if consideration has been given to reinstating the Jobs Fund. Jeremy Fitch confirmed this is something that could be considered. Ken also asked if we could consider doing something more for small companies to help them develop export markets? Could this be done by doubling the number of graduates on the Graduate to Export scheme? The Executive Team agreed to consider this further.

The CEO stated that the initial request from Board was with regards to organisational readiness. He added that he hoped the information presented provided the Board with the clarity and assurances it had requested. He stated that the Executive Leadership team now meets on a weekly basis to continue to work through this process. The CEO confirmed that he could give assurance to Board that we are in as good a place as we could be.

The Chair thanked the team for their presentation update. The Chair stated that in addition to the Board having a strategic and governance role, they also have an outreach role, and in that spirit asked if there is anything Board members can do to help.

Jeremy Fitch felt that Board members should be aware of the details included on the microsite, which covers everything and is available to all, not just Invest NI clients, and to act as a signpost to this information. It was agreed lines to take and useful signposting information will be prepared for Board members.

Action: Peter to provide lines to take and signposting information.

2.6 AUDIT & RISK COMMITTEE

Deborah Lange, Chair of the Audit & Risk Committee stated that due to unforeseen circumstances this morning's Audit & Risk Committee meeting had to be postponed and it is hoped to reschedule within the next couple of weeks.

Deborah raised the ongoing whistle-blower case and reported to the Board that once the action plan is received from the Executive Leadership team her proposal would be that the Competence Centre Working Group should reconvene and take ownership.

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The Chair agreed and asked for a member of that group to take the lead. Dr Sweeney offered to chair the working group. The Chair stated that it was important to ensure the completion of the tasks coming out of the action plan.

Deborah also stated that she would like to know what funding had been provided to the Centre.

Action: Mel to provide detail of funding.

3. MONTHLY REPORTING TO BOARD BY EXCEPTION

3.1 FINANCE REPORT

The Chair welcomed Katrina O’Dowd, Finance Director, who joined the meeting to discuss the Finance report.

The Chair referred to the capital over spend in the report and asked Katrina for an update on this. Katrina stated that part of this relates to the restructuring loan for which we do not have budget cover. Katrina confirmed that the Department (DfE) had been advised of this and that her team will continue to work with them to identify potential solutions.

In respect of the October monitoring round, Katrina stated that DfE has confirmed the budgeting treatment on the £4M investment write-offs and we have now sought written confirmation that the £4m write-off charge will not go against the current year Resource DEL budget. Katrina said that in recent weeks, there appeared to have been further changes to the budgetary treatment in this area (specifically the Expected Credit Loss model) and that her team were again working with DfE on this. Deborah Lange suggested that Katrina engage with her counterpart in Scottish Enterprise to establish how they are interpreting this new budget treatment. The Chair stated that consideration should be given to adding this to the emerging risk and budget risk registers.

Invest NI submitted a bid of £10.9m to the ‘No Deal’ Brexit fund, however we have only been allocated £2m from this fund for this year, and a further £2m annually up to 2022/23. ELT are in discussions on the prioritisation of activities to maximise the benefits from this funding stream. As the planned Brexit activities are included in the overall resource pressure of £6m referred to in the report the £2m allocation will further reduce this to £4m.

The Chair thanked Katrina for her update and she left the meeting.

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3.2 MARKETING AND COMMUNICATIONS REPORT

This report was noted by Board members and taken as read.

3.3 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

4. CHAIR'S BUSINESS

The Chair provided an update to the Board on the current CEO and non-executive recruitment processes. The Chair also reported that she is currently meeting with each of the Council Chief Executives, by way of an introductory meeting, and will let non-executive members know the relevant dates to involve them.

The Chair reminded non-executive members about the use of Invest NI email addresses. Mel Chittock stated that the IT team are currently trialling a new system, which is hoped will be easier to use. The Chair wanted to suggest that Pdraig Canavan could offer some of his expertise in this area.

A.O.B.

There was no further business raised.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 23rd October 2019 and will be held at Seagate, Springtown Industrial Estate, Londonderry.

The Board Meeting ended at 4.45pm.

Arora Upritchard, September 2019

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**ONE HUNDRED AND SIXTY-NINTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 23 OCTOBER 2019
SEAGATE, LONDONDERRY**

Present:

Invest NI Board

Rose Mary Stalker (Chair)

Brian Baird

Padraig Canavan

Deborah Lange

Ken Nelson

Mark Nodder

Scott Rutherford

Dr Mark Sweeney

Judith Totten

In Attendance: Alastair Hamilton, Kevin Holland, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Alan McKeown and Alistair Moffett

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.00pm.

Apologies: Dr Gerard O'Hare

The Chair introduced Kevin Holland to Board members and congratulated him on his appointment as the new Chief Executive.

The Chair asked Board members to declare any conflicts of interest relating to today's meeting. No conflicts were declared.

1.1 MINUTES

The minutes of the September Board meeting were agreed as a full and true record of the meeting.

1.2 MATTERS ARISING

The Action table was reviewed and addressed.

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2. ITEMS FOR DISCUSSION

2.1 SEAGATE PRESENTATION

Fergus O'Donnell, Senior Engineering Director attended the meeting. Fergus presented a brief history of Seagate and the next stage of data storage evolution. Fergus stated that part of the success of Seagate was down to the support they have received from Invest NI and academia.

The Chair thanked Fergus for his very informative presentation and for taking the time to show Board members the VR demonstration. The Chair stated that Seagate was a fabulous success story for Northern Ireland and she was delighted to hear of the great relationship between the two organisations. Fergus O'Donnell left the meeting.

2.2 CEO REPORT & HALF-YEAR PERFORMANCE UPDATE

The Chief Executive asked Board members to note the CEO report.

The Chief Executive stated that the report reflects the volume of activity across the organisation, which is currently very healthy. At this time of year International Business are driving visits to get projects completed and business cases submitted for December/January.

The Chief Executive referred to the recent news that Bamford Bus Company has now acquired the assets of Wrightbus. He stated that this is a positive step; to see a world-class company being recovered from administration. The Chief Executive wanted to pay particular tribute to the Executive Team and Board members who have worked on this case.

The Chief Executive referred to the recent announcement by Aflac and stated that he was personally delighted to see this project complete and that the company would be a great asset to the FinTech cluster. Scott Rutherford stated that Queen's University had also met with Aflac recently and they are talking optimistically about the skills piece.

The Chief Executive then provided the Board with an update on the half-year performance. The Chief Executive stated that the scorecard was in a healthy position. The customer, people and process quadrants are all green. He also stated that the Sunday Times Top 100 Best Companies To Work For survey has now issued to staff. Initial results will be available in early November and the relative position in January.

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The Chief Executive confirmed another positive month in terms of recorded absence. Many programmes have been put in place, which are starting to have an impact, but the main driver is the reduction in long-term absence. Amanda Braden stated that the introduction of the mental health programme has positive and staff are talking positively about it. Mark Sweeney wished to compliment the team on achieving this position, as there has been a lot of work undertaken to bring the figures down.

With regards to performance, the Chief Executive stated that the majority of targets are on course to be achieved. Work in Progress has been reviewed and prioritized to help improve forecast positions. The Chair asked the Executive team for their view on achieving the four-year 'New to NI' jobs target. Steve Harper stated that pipeline is strong going forward and he is confident we will achieve the target but there is still a lot of work to be done. Brian Dolaghan stated that we still need to be mindful of the skills issues as we are getting pressure from the market place.

On R&D, progress has improved through September with £7m investment secured. Again Work in Progress has been reviewed and the delivery of all Work in Progress should achieve the target.

The Chief Executive stated that he was conscious in the past that the Board have raised the question of "mission drift". In response to a request from DfE to develop a comprehensive range of Brexit support programmes the Chief Executive reported that the Executive team are in discussions with the Department and that we have made a proposal to develop some support mechanisms to the wider business Base that would be ring-fenced in a separate team and branded with a different name. He confirmed that Board would be kept up to date as discussions develop. Brian Baird stated that mission drift was a concern for Board and asked if the discussions with the Department included resource discussions. The Chief Executive confirmed that is the case.

2.3 LONDONDERRY CITY DEAL

The Chair welcomed John Kelpie & Stephen Gillespie (Derry City & Strabane Council), Peter Devine & Justin Quinn (Ulster University), Leo Murphy (NW Regional College) and Alan Moore (HSCNI).

John Kelpie thanked the Board for the opportunity afforded to him and his colleagues to present an update on the Region City Deal. John set the context of the City Deal by recapping

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the process and progress made to date. John briefed the group on the key issues around funding, project prioritisation, governance and process and timeframes. A presentation was distributed that detailed the City Deal/Strategic Growth Projects for the Derry~Londonderry & Strabane City Region.

Alan Moore, HSCNI and Peter Devine & Justin Quinn from Ulster University provided a briefing on the projects that their respective organisations are currently working on as part of the Region City Deal. Leo Murphy spoke on the work of the North Western Regional College in supporting the Skills agenda around the DCSDC City Deal.

John wrapped up the discussion by stating that this is a very ambitious plan for the region but it is all about bolstering investment and opportunities that will make the region more attractive to investment.

The Chair thanked the team for their very comprehensive briefing on the position of the city deal. Pdraig Canavan asked what the team see as the risks to this not happening and how can Invest NI help?

John stated that many of the risks have been mitigated but asked that Invest NI advocate for this deal. Of all the projects, the Medical School must come first. The biggest risk is that we do not seize this opportunity. John also asked that Invest NI continue to support industry to invest in R&D. The team left the meeting.

2.4 BREXIT

Donal Durkan, Executive Director provided an update on ongoing Brexit preparations. Donal reported that there is currently a lot of work going on within the organisation mainly with Account Managed Businesses. There was a discussion on what more the organisation could do for the wider business base. Alan McKeown provided an update on the work with Councils in this area.

Donal provided an update on the revised NI/Ireland protocol and other key points from 'the Deal'. Donal confirmed that 'No Deal' preparations are still going ahead.

Peter Harbinson, Executive Director reported on current customer engagement and stated that information will continue to be pushed out via the Brexit micro-site and on nibusinessinfo. Peter also confirmed that the team are currently looking at a communications campaign

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around the wider business base and the international proposition. He stated that the organisation is currently looking at putting in place another in-market communications team member to help get the message out.

Mark Nodder asked how the organisation was equipped to deal with any additional information that will come out around amendments. Peter stated that information will be made available through briefings, additional specific workshops and the business support team.

Donal stated that if there are any major changes before the next Board meeting Board Members will be briefed as they arise.

2.5 CUSTOMER SEGMENTATION UPDATE

The Chair asked that this item be brought forward to a future meeting. Alan McKeown and Brian Dolaghan confirmed that everything was on target.

Action: To be tabled at future meeting.

2.6 AUDIT & RISK COMMITTEE

Deborah Lange, Chair of the Audit & Risk Committee provided a brief update stating that some audit and risk areas had been reviewed and these would be tabled at the ARC meeting in November.

Deborah asked that Board members put some thought to horizon scanning and think about the risks the organisation is facing for discussion at the November meeting.

Action: Board members to consider future risks

2.7 LONDON HUB UPDATE

The Chair referred to the presentation in the Board papers on the official opening of the new London Hub. Steve Harper, Executive Director stated that we are in a “soft” launch at present and are currently getting systems in place and will go live the first week in December. Steve asked Board members to help to encourage Northern Ireland companies to sign up and become members. Brian Baird asked if there was any information/flyer that Board members could use to help encourage this.

Action: Steve to send flyer Board to help promote the new London Hub.

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3. MONTHLY REPORTING TO BOARD BY EXCEPTION

3.1 FINANCE REPORT

This report was noted by Board members and taken as read.

3.2 MARKETING AND COMMUNICATIONS REPORT

This report was noted by Board members and taken as read.

3.3 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

4. CHAIR'S BUSINESS

The Chair reported that she had recently had a successful trip with ADS Group and the Invest NI Aerospace team to Toulouse. She stated that she was very impressed with the Aerospace team and that the feedback she had received had been very positive.

The Chair asked a Board member to attend the final Long Service Recognition Awards ceremony and Judith Totten agreed to attend.

A.O.B.

The Chair took the opportunity to recognise the outgoing Chief Executive, Alastair Hamilton. The Chair stated on behalf of the Board she wished to thank Alastair for his service to Invest NI and to wish him well on his future journey. The Chief Executive thanked the Chair for her kind words and thanked the Board members for all their support during his time in post.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 27TH November 2019 and will be held at Invest NI HQ.

The Board Meeting ended at 5.10pm.

Arora Upritchard, October 2019

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**ONE HUNDRED AND SEVENTIETH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 27 NOVEMBER 2019
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Rose Mary Stalker (Chair)

Brian Baird

Padraig Canavan

Deborah Lange

Ken Nelson

Dr Gerard O'Hare

Scott Rutherford

Dr Mark Sweeney

Judith Totten

In Attendance: Kevin Holland, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Alan McKeown and Alistair Moffett

Apologies: Mark Nodder

Minute Taker: Arora Upritchard

The meeting commenced at 1.20pm.

BELFAST REGION CITY DEAL (BRCD)

The Chair welcomed members of the BRCD Partnership to the Board and thanked them for attending. The Chair congratulated Queen's University and Belfast Met College for their recent Queen's Anniversary Prize, which celebrates innovation and public benefit in work carried out by UK colleges and universities.

Suzanne Wylie, Chief Executive, Belfast City Council thanked the Board for the invitation to present to them. Suzanne stated that the partnership is made up of six Councils, universities and colleges. BRCD has allowed this group to work closer in real partnership with the aim of delivering this ambition.

The deal has four pillars – innovation & digital, tourism & regeneration, infrastructure and employability & skills. Suzanne stated that whilst the deal focusses on capital it is not the ambition of the deal to focus on buildings. It is essential to reach out to the other city/growth deals in NI to ensure they are synergistic. The partnership wants to get more momentum and identify opportunities. The presentations today will focus on the innovation & digital pillar and

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primarily on two of the projects – Advanced Manufacturing Innovation Centre (AMIC) and Digital Health Technology Hub (DHTH).

Prof. Paul Marolopoulos, Queen's University presented on AMIC. He stated that AMIC aims to be a springboard for manufacturing innovation for industry providing industry with access to the latest technology and Industry 4.0 smart automation. AMIC's aim is to be the best in the world and a global beacon of manufacturing excellence. AMIC will consist of a coherent and inter-linked suite of facilities aimed primarily at the Advanced Manufacturing Materials and Engineering sector. The strategic benefits of a joined up approach will include simplified industrial access, integrated skills pipeline, better investment decisions, improved communication with government, and enhanced national presence.

Prof. James McLaughlin, Ulster University presented on DHTH. DHTH aims to be an open innovation ecosystem with living labs putting user centric design at the heart of digital medical technology development. Prof. McLaughlin stated that the proposed project would be a key contributor to the achievement of outcomes within the UK Industrial Strategy. He stated that there is industry-led collaboration detailing examples of major international links.

Anne Donaghy, Chief Executive, Mid & East Antrim Council presented on the employability & skills pillar - the one element of the deal that cuts across everything. Programme delivery is now moving to stage two and working towards engaging with the private sector. There are 22 projects under the four pillars of the deal. BRCD wants to work in partnership with Invest NI to engage with the private sector, as private sector funding is essential to this deal. There are many key challenges and the BRCD partnership hopes Invest NI will continue to help them to deliver this project and support each other for 'NI plc' not only for this deal but the other city and growth deals.

Following the presentation there was a discussion with the Board. Discussion points of note were:

- BRCD partnership have engaged with tourism, digital and construction businesses.
- Challenges on flow of money, currently working with DfE. Belfast City Council will be Accounting Body.
- Need to identify clear unique selling proposition, join up and have same voice when out selling. If Invest NI out selling USPs then essential to have ecosystem set up for when company arrives.

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- Are CIDRA and AMIC sustainable? Prof. McLaughlin confirmed they would be because CIDRA will be complementary to AMIC, they will not compete.
- Concern over having five centres trying to compete – may fail as NI does not have the population.
- Additionality – two bids from NI have been shortlisted for Heathrow Hubs, which can attract 5,000 new jobs and £5bn to NI. An example of how strong City Deal can support NI development.

The Chair asked BRCD partners what Invest NI could do to help. Suzanne stated that Invest NI could help with how we sell NI, working on both a sub-regional and regional level. BRDC needs Invest NI's sector expertise.

Jeremy Fitch congratulated the BRCD partners in terms of that they are doing for NI, their ambition and collaboration. Jeremy stated Invest NI would be happy to help with linkages to Funds but the biggest challenge for Invest NI is that it has to be industry led. Dr O'Hare stated a concern would be duplication and dilution. He felt BRCD needed to come back more comprehensively on how the Deal would work without duplication.

The Chair stated that Invest NI wants to assist with selling overseas. Steve Harper stated that he would be happy to dedicate a resource to this and build a strategy that will help to sell the City Deal overseas. Alan McKeown asked if there was a way to offer consistent support across all the Deals. Invest NI wants to provide BRCD with the best support it can and combine our resources to make a better impact.

The Chair thanked the BRCD partners for their time today and for their comprehensive presentation to the Board and Executive Leadership Team. The Chair reiterated Invest NI's commitment to help make this deal a success for Northern Ireland and its economy. All BRCD partnership attendees left the meeting.

Ken Nelson left the meeting at 3.15pm.

The Chair returned to the standard agenda. The Chair asked Board members to declare any conflicts of interest relating to today's meeting. Scott Rutherford stated that Queen's University had an interest in Almac, Kainos, Adoreboard Ltd and City Deals Future.

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1.1 MINUTES

The minutes of the October Board meeting were agreed as a full and true record of the meeting. Judith Totten proposed and Padraig Canavan seconded.

1.2 MATTERS ARISING

The Action table was reviewed and addressed.

Brian Dolaghan provided an update on customer segmentation. Brian stated that the measure for success would be on satisfaction and customer pull through. Alan McKeown stated that we have met a few clients and some anecdotal feedback is coming through. The model is working so far as evidenced by adding 26 new customers, 5 financial interventions, 24 referrals to business solutions, 72 customer contacts and 1 transfer to sector team. Gerard O'Hare stated that this had been a concern of Board but this is good feedback.

The Chair asked Brian Dolaghan to take forward the suggestion from a previous discussion that Invest NI carry out a retrospective stock-take assessment from the recent Wrights Group case. In particular, around lessons to be learned for family businesses, the skillset required for managing them and when they request/require external support.

Action: Brian to undertake review.

2.2 CEO REPORT TO BOARD

The Chair welcomed the CEO to his first official Board meeting as Accounting Officer.

The CEO stated that as the information in the CEO report detailed the period before his appointment he would not address this further. The CEO provided Board members with background information on himself and his observations from the first weeks in post.

Brian Baird welcomed Kevin to the organisation and stated that the skills and experience he brings from his previous roles will help to move the organisation in to its next phase and make Northern Ireland more competitive. Dr O'Hare wished to acknowledge the role of the previous CEO who delivered the great change necessary when he took up the post and the organisation needed to move on.

2.3 FINANCE REPORT TO BOARD

Mel Chittock asked the Board to note the Finance Report. Mel provided an update on spending year to date and forecast budgets for 20/21.

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For the current year spending remains on track, currently 53% of Programme spend incurred YTD, an increase for the same period last year. Budget pressure on Resource is c.£1.5M, well within acceptable levels for the remainder of the year. This is likely to dissipate as we approach the year end but will be monitored closely. More pressure exists on capital, due to an unplanned loan in year, although this is being managed by balancing additional receipts with the potential for early repayment. The Dept. are aware of the circumstances in relation to this loan.

In relation to 20/21, initial indications are that budgets are under significant pressure and budget cuts are likely across the Dept. Specifically the potentially significant impact of the loss of ERDF has been flagged by Invest NI, as the absence of a follow on programme (post Brexit) and no clarity on the Shared Prosperity Fund results in additional pressures over the next four years. In 2020/21 alone this pressure is c. £10.4M

The Chair asked how the organisation was preparing itself for the competition for funding from the Shared Prosperity Fund. Mel stated that there is no indication, at present, how and when this fund will operate. The Chair asked that Board members be informed of the key finance messages going in to the next funding discussions.

Action: Mel to provide briefing note.

2.3 BREXIT

Donal Durkan, Executive Director provided an update on ongoing Brexit preparations. Donal stated that focus has moved to awaiting the outcome of the general election on 12th December. Current work is focussing on existing NI protocols and concentrating on those businesses that sell 50% or more in to the UK; as well as getting business to provide case studies which address the possible impact on them.

The Chair asked if there was an update on the Brexit support programmes. Donal stated that all programmes were based on no deal scenarios. The Department has asked Invest NI to look at developing programmes for addressing the needs of the wider business base, which is currently underway however; there is no indication from the Department of budget being made available.

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2.4 AUDIT & RISK COMMITTEE

Deborah Lange, Chair of the Audit and Risk Committee (ARC) provided a short verbal update from the ARC meeting, which had taken place earlier on that day. She also provided a summary of several of the points raised during the ARC meeting.

Deborah reported that, in connection with the recent whistle-blower case that the NI Audit Office will be looking at any spending associated with that one specific project. NI Audit Office wish to meet again in three months' time. Deborah stated that she and the Chair would now meet with the new CEO to brief him on this case and to take ownership of it.

Deborah reported that the Committee had signed off on the review of the risk management policy. Deborah briefed the Board on a proposal by Dept. for Finance to move from an MSFM to a Partnership Agreement (and proportionate autonomy) with Invest NI. Invest NI will be asked to attend a workshop on 21 January to discuss. Dr O'Hare raised concerns regarding this proposal and in particular that this may be a liability to Board members which has not been demonstrated in the current recruitment exercise for new non-executive members. Principles will have to be translated in to actions so that Board members know what they are accountable for.

Brian Dolaghan left the meeting at 4.30pm.

2.5 EMERGING RISKS WORKSHOP

Katrina O'Dowd, Finance Manager and Colin Morelli, Risk Manager attended the meeting for this discussion.

The ARC Chair stated that changes have been made to the risk management policy differentiating the roles of Board, ARC and the Executive Leadership Team. Deborah stated that only significant risks would come to Board however, Deborah was not keen on responsibility being entirely on a verbal update. To address this, it was agreed that the Audit & Risk team would include a key issues report as an annex to the Finance Report.

Colin Morelli summarised the changes to the policy.

The ARC Chair led a discussion on the Emerging Risk Register. A set of actions were captured separately by the Audit & Risk team who will now take forward.

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3. MONTHLY REPORTING TO BOARD BY EXCEPTION

3.1 MARKETING AND COMMUNICATIONS REPORT

This report was noted by Board members and taken as read.

3.2 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

Padraig Canavan left the meeting at 5.10pm.

4. CHAIR'S BUSINESS

The Chair stated that the competition for Non-Executive members will close on Friday 29th November. To date there have been 1600 downloads of the information pack.

The Chair stated that the process has begun regarding the development of the next Business Strategy. The Chair asked for volunteers from the Board to sit on a working group. Gerard, Deborah, Brian, Scott and Judith put themselves forward. Donal Durkan will contact to arrange.

Action: Donal to set up Business Strategy Board working group.

A.O.B.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 29th January 2020 and will be held at Invest NI HQ.

The Board Meeting ended at 5.20pm.

Arora Upritchard, November 2019