

INVEST NORTHERN IRELAND BOARD MINUTES 2018

January 31, 2018

February 27, 2018

March 26, 2018

April 25, 2018

May 30, 2018

June 26, 2018

August 29, 2018

September 26, 2018

October 24, 2018

November 28, 2018

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**ONE HUNDRED AND FIFTY FIRST MEETING OF THE INVEST NORTHERN
IRELAND BOARD, 31 JANUARY 2018 AT INVEST NI HQ**

Present:

Invest NI Board

Mark Ennis (Chairman)

Deborah Lange

Judith Totten

Padraig Canavan

Brian Baird

Mark Sweeney

Scott Rutherford

Mark Nodder

Rose Mary Stalker

Ken Nelson

In Attendance: Amanda Braden, Mel Chittock, Peter Harbinson, Jeremy Fitch, Olive Hill, and Carol Keery

Minute Taker: William Hoey

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.00pm

Apologies: Gerard O'Hare, Tracy Meharg, Bill Scott and Steve Harper.

The Chair asked members to declare any conflicts of interests relating to today's agenda. No conflicts were declared.

The Chairman, on behalf of Board members, congratulated Ken Nelson on the recent award of his MBE.

2. ITEMS FOR DISCUSSION

2.1 BUSINESS STRATEGY – CONSTRUCTION SECTOR STRATEGY

Patricia Smyth and Gina Lyttle, with Bill Montgomery in attendance, presented on the Business Strategy – Construction Sector Strategy.

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Jeremy Fitch gave a short overview of this very significant and strategically important sector prior to the beginning of the presentation.

Patricia started by highlighting Invest NI's construction portfolio, its employment numbers and its sales delivery worth in excess of £3.7bn. She emphasised the growth in both employment and sales over recent years. Gina spoke about the sub-sectors within construction, most notably concrete, supply and fit, specialist joinery, contractors, to name a few, and stated their significant employment numbers. She also noted that Northern Ireland has a number of the UK's tier 1 contractors, as well as the largest precast concrete manufacturer in the UK. Gina illustrated this by distributing to members a 'map' of construction subsectors which set the context of where NI is presently situated.

Patricia then illustrated the direction of travel for NI businesses. She pointed out how our companies have been successful in international markets and that NI companies are outperforming similar companies in the GB market. She made particular mention of MJM Marine; the company recently secured a multimillion dollar contract that will bring the first large cruise liner to Belfast for complete refit at Harland and Wolff's dry dock. This historic contract firmly places NI back at the heart of the cruise line fit-out and refurbishment sector.

She went on to highlight some of the challenges facing the sector, such as low productivity, low margins, workforce size and demographics. She stressed that skills is still a major issue for the sector which Brexit may compound, as well as poor predictability – essentially overruns in terms of time.

Gina outlined to members the priorities within the construction sector - leadership and people, adaption of technology and sustainability. She linked the priorities to the Business Strategy and translated this into what we plan to achieve in terms of an uplift in sales, increase in market share and an overall sector increase in employment. Invest NI's approach will continue to be working as a trusted business partner with stakeholders and customers alike.

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Board members asked questions about marketplaces, particularly that of the Republic of Ireland. Patricia stated that there are opportunities for growth that are being looked at. We have been working closely with companies as well as the embassy in Dublin to explore these opportunities. The impact of Brexit is difficult to ascertain at present but hopefully the picture will become clearer.

Patricia and Gina were thanked by Board members for their insightful presentation and continued good work in the sector.

2.2 BUSINESS STRATEGY – PARTNERSHIP – INTERTRADEIRELAND

Aidan Gough and Margaret Hearty presented on the Business Strategy Partnership with InterTradeIreland to the Board.

Ken Nelson, as the Chairman of InterTradeIreland (ITI), introduced both Aidan and Margaret and gave a brief overview of ITI's work.

Aidan began by talking about ITI's Corporate Plan and the organisation's 'mission', 'vision' and 'approach', highlighting the importance of cooperation between ITI and Invest NI, and also an awareness and the promotion of each other's programmes.

He stressed the importance of cross-border trade as well as North/South economic cooperation, while noting a focus on cross-border initiatives such as trade and innovation and the wide range of services which can be provided.

Board questioned Aidan and Margaret on an all-island outlook, and the density of targeting which came with a cross-border focus, as well as Brexit. They stated that cross-border was a priority but they also take in the wider all-island context. Board were informed that ITI also has in place a Brexit Advisory Service which provides access to free advice through a Brexit Planning Voucher; information on possible product tariffs, as well as business planning guidance; and the latest news and Brexit updates.

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Margaret spoke about sales growth and the particular programmes such as Acumen and Elevate, to name two, which help to facilitate this. She also informed Board about innovation success and the programmes and partnerships involved in bringing about collaborative innovation, enabling ideas to be brought to market quicker, cheaper and with an enhanced chance of success. She provided an insight into the success in raising finance, particularly the Seed-corn competition, and the education and workshops which help early stage companies become investor ready. Aidan noted the Co-Innovate Programme – a five year, €17m project aimed at increasing the proportion of SMEs involved in cross-border R&D collaboration. This is a five strand programme which is already up and running. To finish he added how much ITI enjoyed working with Invest NI and that he hoped that this relationship would continue in the future.

2.3 BEST COMPANIES TO WORK FOR SURVEY RESULTS

Mary de Almeida from Invest NI's HR Division then joined the Board meeting to present on the recent Employee Engagement results.

Mary highlighted Invest NI's employee engagement commitments. She noted that agile working and job rotation were in place and continuing. The organisation is also building on its leadership training learning, in part from the Leadership Development Programme, and what a good leader looks like. She provided details of the 'Well-being' strategy and the range of classes that are being taken advantage of by colleagues. She also noted that clearer employee communications would be used – a less formal approach and using plain English.

With regard to the Best Company questions these were centred on eight factors, including leadership, my manager and well-being to name several. She also spoke about 'engagement' versus 'satisfaction' and the four quadrants involved. The feedback for these is at present being drawn together and a review will be published by March. There was a suggestion from Board members that there could be a focus group for each quadrant; this was noted and will be looked at. The Board also suggested undertaking pulse surveys to ensure the needle was moving in the right direction.

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Board mentioned that there may be too much surveying, which could be partly responsible for some results being down on previous surveys. However Mary noted some changes have been put in place prior to these results being published, and already there has been positive feedback from colleagues. Board members suggested that perhaps Invest NI staff should have more input into their appraisals; for example proposing their own objectives and also having the opportunity to proactively engage with their Line Manager. Mary thanked the Board for their feedback and stated that it would certainly be discussed within her team. The Board in turn thanked Mary for an excellent presentation.

3. MONTHLY REPORTING TO BOARD

3.1 MINUTES

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 action regarding Office 365 and Members' issues with access and connectivity was again briefly discussed. A review of a number of Board platforms has been undertaken with a view to going out to procurement. Members will be updated on progress at the next meeting. With regard to a previous item on Invest NI share investments, it was confirmed that this is being distributed to members.

3.3 CEO REPORT

At the outset Alastair noted the recent good news surrounding Bombardier and the fact that all four ITC Commissioners voted for the company in the case against Boeing. He asked Jeremy to pass on thanks, on behalf of the Board, to the team involved in contributing to this very positive outcome. He then noted the recent change at Permanent Secretary level within the Department, with Noel Lavery replacing Andrew McCormick. He also noted Tracy Meharg's recent promotion to Permanent Secretary. He commented on Invest NI's recent CSE Compliance Plus results and Invest NI is

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now the highest accredited organisation in NI at CSE level. The Chief Executive updated Board on NI-CO, the position of Accountability Officer and on recent engagement with the NIO with regard to the new Secretary of State Karen Bradley.

Mel Chittock gave a fulsome update to members on the recent budget consultation exercise. He noted the resource exercise which had taken place and the views sought on spending priorities, as well as the Department of Finance's three scenarios on public spending, with two of the three having revenue raising proposals. He highlighted the budget position and the context of the proposed reductions within DfE which could impact on Invest NI. He pointed out that the next step will be DoF's allocation of 2018/19 budgets which is likely to take place in mid-February.

The Chief Executive then updated members on the rest of the CEO Report highlighting the recent KPI data and the Trade Ambassador Plan, as part of the development of the international strategy. He noted that Ignite, the new Accelerator for technology start-ups in Northern Ireland, was underway and a number of in-house assignments were up and running. He closed by commenting on the commencement of the Customer Engagement Programme and advised that a lot of hard work was being undertaken.

3.4 QUARTERLY PERFORMANCE UPDATE

At this point Alan Wilson from the International Division joined the meeting to present a Quarterly Performance Update to members.

Firstly, Alan noted that with regard to the Performance Quadrant we were strong in virtually all areas and, whilst there is a challenge with regard to 'New to NI' External Jobs, the forecast position for this category has improved. He noted that there was a good level of confidence around incoming projects with expectant delivery dates and these will happen prior to year-end. He also highlighted that 'Local Jobs' was performing well against target. Board asked about 'Total WIP and Deliverable WIP'. Alan explained that this was indeed an extra layer of Work In Progress factoring attrition rates and trends thereof.

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With regard to Skills Investment, a strong December allowed the profile to get back on track. The Board were updated on how the original programme had to be extended and that Departmental approval will be sought.

3.5 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Following on from his earlier presentation, he advised the Board that the organisation is £14m behind budget, more than at the same period last year. There is an under spend in the International Team and also on the Admin Budget with regard to back-filling, but these are both being reviewed.

3.6 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter highlighted to Board the recent UK-China Regional Leaders summit. He noted a number of very positive outcomes and that the Summit attracted the largest contingent of Chinese provincial leaders to visit the UK, with 103 delegates travelling from China.

He noted that there were a number of PR announcements recently, particularly in the North West. There has also been a lot of planned activity in the post-Christmas period, with the delivery of a number of events and workshops. He spoke about the forward plan and a number of forthcoming events, as well the Radox multi-million pound R&D investment, and the Chief Executive's visit to Dubai.

3.7 CASEWORK REPORT TO THE BOARD

This report was taken as read.

3.8 AUDIT AND RISK COMMITTEE MINUTES

Deborah Lange, Chair of the Audit and Risk Committee (ARC) provided a short verbal update on the minutes. She highlighted that there are no new areas of concern and that results are good. She noted to members the forthcoming Board away day and

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the workshop on Risk. For this, she invited feedback ideas from Board members on risk and where we take it in the future.

4. CHAIRMAN'S BUSINESS

There was no Chairman's business to note, except the Chair noted the upcoming away day and wished Sinead Magee well on her forthcoming career break as she leaves to set up her own business. He also raised the issue of bringing new Board representation onto the Access to Finance working groups and will bring this up for discussion at the Board away days.

A.O.B.

There was no AOB to note.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be an away day and include an overnight stay. It is scheduled to be held on Tuesday 27th and Wednesday 28th February 2018, and the location will be the City Hotel in Derry/Londonderry. Further details will be forwarded to members at the earliest convenience.

The Board Meeting ended at 4.35pm.

William Hoey, February 2017

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**ONE HUNDRED AND FIFTY SECOND MEETING OF THE INVEST NORTHERN
IRELAND BOARD, 27 FEBRUARY 2018
CITY HOTEL, DERRY/LONDONDERRY**

Present:

Invest NI Board

Mark Ennis (Chairman)

Deborah Lange

Gerard O'Hare

Padraig Canavan

Brian Baird

Mark Sweeney

Scott Rutherford

Rose Mary Stalker

In Attendance: Alastair Hamilton, Amanda Braden, Tracy Meharg, Steve Harper, Mel Chittock, Peter Harbinson, Jeremy Fitch, Olive Hill, and Carol Keery

Minute Taker: William Hoey

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting was originally scheduled to take place on the morning of 28th February. However, due to the likelihood of adverse weather on this day, it was brought forward to the early evening of 27th February and commenced at 5.40pm.

Apologies: Judith Totten, Ken Nelson, Bill Scott and Mark Nodder.

The Chair asked members to declare any conflicts of interests relating to today's 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. Members were informed that a procurement process was about to be initiated for a Board Meeting management solution. Members will be updated on progress at the next meeting. With regard to the Access to Finance working group membership, this was a topic for discussion at the meeting of the Non-Executive Directors scheduled for 28th February.

2.3 CEO REPORT

The Chief Executive noted the significant number of projects and announcements, as well as the numerous inward visits and overseas sales and trade activity, which has taken place since the start of the year.

The Chief Executive spoke about his recent visit to Saudi Arabia and UAE, and his attendance at Gulfood, the world's largest annual food trade show. There were two Northern Ireland exhibition stands at the show and 17 NI companies in attendance. He stated that there is much potential for NI companies in the region.

2.4 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

He advised the Board of the organisation's current budget profile; the organisation is marginally behind on this, but forecasts suggest that we will meet our target. He stated that there are a small number of large claims accounting for the majority of underspend, however, the Operating Divisions in question are in close contact with these companies. Board members discussed the forecast outcomes and sought assurances from ELT members. Mel also updated members on the recent release of the BSDL quarterly management accounts.

Mel noted that a significant amount of cash was still to be drawn against budget and it was likely that the target would not be met with a cash under draw outside of the tolerance of one per cent.

2.5 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter highlighted to Board the recent results from the third quarter Customer Satisfaction Survey and advised that the organisation performed strongly across a number of metrics. He noted the recent launch of Live Chat on certain pages of the organisation's website. Initially there were 79 sessions and this has grown to 160 over a short space of time. Peter stated that this was a very good uptake considering there has been no promotional work done to date.

Peter advised Board members on recent and planned activity including workshops and investment announcements. He also noted the articles highlighting profiles of colleagues from the international offices, which aim to raise awareness of our overseas capability. He updated members on the Business Improvement initiative going live, which will involve capturing suggestions and ideas from staff with a view to help drive these to implementation.

He also referred to the launch of Invest NI intranet capability on work mobile phones; this is a challenging exercise but already a quarter of staff have been enabled.

2.6 CASEWORK REPORT TO THE BOARD

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

2.7 AUDIT AND RISK COMMITTEE MINUTES

Deborah Lange, Chair of the Audit and Risk Committee (ARC) provided a short verbal update following the ARC meeting which took place on 21 February 2018. She highlighted that there were no significant issues (Priority 1) with regard to internal audits and that the Internal Audit Service revised charter was approved. She reported that the Corporate Risk Register had been reviewed.

3. CHAIRMAN’S BUSINESS

There was no Chairman’s business to note, except the Chair commented on the great feedback he had received when he met recently with officials from Herbert Smith Freehills. He also spoke about his attendance at the e-Health Ireland & NI Connected Health Ecosystems event held in Dublin, where he gave a presentation on industry support and funding opportunities to propel innovation.

A.O.B.

There was no AOB to note.

4. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Monday 26th March and will be held at Invest NI HQ Bedford Street.

The Board Meeting ended at 6.25pm.

William Hoey, March 2018

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**ONE HUNDRED AND FIFTY THIRD MEETING OF THE INVEST NORTHERN
IRELAND BOARD, 26 MARCH 2018
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)

Deborah Lange

Gerard O'Hare

Padraig Canavan

Brian Baird

Mark Sweeney

Scott Rutherford

Rose Mary Stalker

Judith Totten

Ken Nelson

In Attendance: Alastair Hamilton, Amanda Braden, Tracy Meharg, Steve Harper, Mel Chittock, Peter Harbinson, Bill Scott, Olive Hill, and Carol Keery

Minute Taker: William Hoey

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 12.40pm

Apologies: Jeremy Fitch and Mark Nodder. Scott Rutherford joined the meeting at 14:15.

The Chair asked members to declare any conflicts of interest relating to today's agenda. Scott Rutherford referenced both Kainos PLC and EventMAP Ltd. The Board concluded that since no substantive discussion on either of the above declared interests was planned, no conflicts existed. If discussions did arise respective Board members would be required to leave the meeting. The Chair also registered an interest in Ceva Ltd, a recent recipient of Invest NI assistance. No conflict of interest was anticipated, however, as before, if any arose he would leave the meeting.

2. ITEMS FOR DISCUSSION

2.1 BUSINESS STRATEGY – PARTNERSHIP – BELFAST CITY COUNCIL DEAL

Suzanne Wylie, Belfast City Council Chief Executive, presented on the Belfast City Council Deal.

Suzanne provided an overview of the vision for the City Deal and the aspiration to extend the benefits across Northern Ireland, in terms of more and better quality jobs, retention of talent, improving skill levels and encouraging FDI. She explored the City Deal in more depth, highlighting its characteristics, opportunities and strengths, and also the challenges ahead. She spoke about the Ambitious Proposition, focusing on the competitive advantage of the existing industrial framework in NI. She noted the themes of the proposition such as innovation, R&D, digital infrastructure and infrastructure – all key enablers of economic growth. She finished by outlining the next steps and the immediate timeframe for these.

Members thanked Suzanne for an informative presentation. Board members asked about equitable sharing and a more balanced outreach. Suzanne confirmed that every region would benefit.

Members enquired about the possible negative impact of a lack of an Executive. Suzanne stated that there was Whitehall momentum behind the Deal and that the Civil Service was happy to proceed; however, final Executive sign-off would still be required. She was also asked about active collaboration between local City Councils and Suzanne confirmed that this was indeed the case at an official level.

2.2 BUSINESS STRATEGY – INNOVATION – INNOVATE UK

Lorraine Acheson (Innovate UK Manager for NI) accompanied by Dr Ian Brotherston (Innovate UK's head of Government Engagement) presented on the Business Strategy Innovation – Innovate UK.

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Lorraine gave a brief overview of Innovate UK's role in driving productivity and growth by supporting businesses to realise their potential to become successful. She explained how they help companies to 'connect' and the various ways they can be funded. She spoke about the Government's Industrial Strategy and challenges that lie ahead.

Lorraine also highlighted to members the Industrial Strategy Challenge Fund (ISCF), a mechanism to help bring together the UK's world-leading research and businesses to meet both industrial and societal challenges. She explained that the various 'Waves' of the ISCF, the challenges involved, what they entail and their individual timeframes. She finished by telling Board members about Northern Ireland's performance to date and the overall success rate in the Innovate UK application process.

Board members asked about companies being able to repeatedly 'win' in the application process. Lorraine answered that although this was sometimes the case, it is very much the exception to the rule as companies must apply with different projects. She was also asked about local Competence Centres as a means of encouraging more collaboration between businesses. Lorraine stated that in NI there is a good alignment already and businesses are not as regionally focused as before. NI companies have most to gain from collaboration with GB companies and this encourages cross fertilisation. She also spoke about the Knowledge Transfer Network and the importance of Knowledge Transfer Partnerships between business and academia. Queen's University Belfast is the top university in the UK for KTPs and Ulster University is also in the top ten.

Members thanked Lorraine and Ian for their informative presentation.

2.3 INVEST NI INNOVATION UPDATE

Tracy Meharg gave members a short update on R&D expenditure and trends. She highlighted the uplift in spend in NI from 2004 to 2016. She noted the influences of a

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small number of companies who are very large spenders, but also importantly, the number of companies becoming more actively involved in R&D.

Referencing the previous presentation from Innovate UK, Tracy also highlighted the importance of the Invest NI/Innovate UK links and strategic alignment.

2.4 NI-CO UPDATE

Chris Conway, the NI-CO Chairman, joined the Board meeting to present an update on NI-CO and the organisation's recent performance.

Chris began by highlighting NI-CO's good financial performance and a really strong order book. He talked about the gradual shift in geographic engagement and commitments as well as sectoral opportunities going forward. Chris finished by providing some detail about the development of a strategy and its possible impact. He also outlined new governance arrangements now in place, which include an enhanced meeting schedule, risk registers and assurance statements, and the ongoing relationship with Invest NI.

Chris was thanked for his update and asked what the impact of these new governance arrangements would be. Would they provide good mechanisms to understand risk? Chris responded that they would and that they are already helping NI-CO to identify how selective they have to be when bidding for projects.

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. Members were informed that a procurement process was about to be initiated for a Board Meeting management

OFFICIAL – SENSITIVE – COMMERCIAL

solution. Members will be updated on progress at the next meeting. With regard to the Access to Finance working group membership, this was to be taken forward by Judith Totten in discussion with the Chair.

3.3 CEO REPORT

The Chief Executive noted some recently announced significant projects, in particular Radox and the establishment of three Centres of Excellence. He spoke about the significant volume of inward visits to NI and commented on a healthy pipeline of projects, particularly after his recent visit to the US. He informed members of the recent visit by 20 Department for International Trade officials, representing trade and investment functions, citing the level of engagement that took place. The Chief Executive provided updates on the recent budget outcome and the performance scorecard. He also advised members that the organisation had sent a second submission of information to the RHI inquiry.

The Chief Executive gave members a year-one progress report on the Business Strategy, setting out the economic context, good customer confidence in Invest NI, a growing appetite for export, improvements in innovation and minimal unemployment. He updated Board members on the recruitment for the international offices with numerous appointments completed and with a focus on the remaining locations for 2018/19. He also commented on the high level of council interaction and community planning taking place between Invest NI and local Council officials.

3.4 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

The position on budget delivery at the end of February showed an underspend variance on Programme of £14.5m. This meant that accrued spend of c. £35m remained to close out the full year budget. A significant amount but not too far away from the position we were in at the last year end.

OFFICIAL – SENSITIVE – COMMERCIAL

To bring members up to date Mel advised that as of the week prior to the Board meeting the organisation still has accrued spend of c.£22m to clear before we close claims at 2.00pm on Friday, 30th March. The overall position is that we remain on track, with a small number of high value claims are expected to be delivered this week. The Finance team are in daily contact with the budget co-ordinators in each Group and each Divisional Director understands what they need to do to deliver the outturn.

Members were informed that the organisation will have a couple of variances against our budget, some of which he has outlined before:

- We are expecting to miss the cash outturn as claims have arrived later in the year than originally forecast. Whilst these claims will be accrued we will not be in a position to clear all claims from a cash perspective by year-end.
- Admin, which is Resource, will be underspent by up to £1m, although this will be combined with our Programme Resource and is anticipated to be within the 1% tolerance parameter.
- The forecast is that Financial Transaction Capital (FTC) will be underspent by up to £1m as a direct result of a specific project. We had forecast to release a payment of £1m in March in relation to this project. When combined with normal capital allocation we will be outside of the tolerance of 1%. Unfortunately this occurred quite late in the year and is outside of our control.

The overall position is that, with the exception of cash and FTC, Finance is still working with Divisions to deliver the remaining elements of our budget.

3.5 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter noted the recent launch of Live Chat which is going well. He also advised members on a forthcoming heavy schedule of inward visits. He commented on the 'New Business Gateway' and explained that, although content had still to be migrated, user testing was still progressing.

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Members were advised that the annual staff conference will be held on Thursday 7th June. Following feedback from staff the conference will take place in the afternoon.

3.6 CASEWORK REPORT TO THE BOARD

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

3.7 AUDIT AND RISK COMMITTEE MINUTES

Deborah Lange, Chair of the Audit and Risk Committee (ARC) provided a short verbal update on the minutes of the previous ARC meeting which took place on 21 February 2018. She noted that a summary paper of the Business Continuity Plan should be presented to Board members to provide an assurance in this area. Members were also advised that the Internal Audit Service charter had been signed. Deborah updated Board on the Access to Finance VFM study. The Invest NI Board will be presented with an update on this at the earliest opportunity given its high profile within the public domain.

4. CHAIRMAN'S BUSINESS

There was no Chairman's business to note.

A.O.B.

There was no AOB to note.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 25th April and will be held at Invest NI HQ Bedford Street.

The Board Meeting ended at 4.00pm.

William Hoey, April 2018

OFFICIAL – SENSITIVE – COMMERCIAL

**ONE HUNDRED AND FIFTY FOURTH MEETING OF THE INVEST NORTHERN
IRELAND BOARD, 25 APRIL 2018
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)

Deborah Lange

Gerard O'Hare

Padraig Canavan

Brian Baird

Mark Sweeney

Rose Mary Stalker

Judith Totten

Ken Nelson

In Attendance: Amanda Braden, Tracy Meharg, Steve Harper, Mel Chittock, Peter Harbinson, Jeremy Fitch, Olive Hill, Donal Durkan and Carol Keery

Minute Taker: William Hoey

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.00pm

Apologies: Alastair Hamilton, Bill Scott, Scott Rutherford and Mark Nodder. Gerard O'Hare joined the meeting at 1:30pm. Jeremy Fitch left the meeting at 3.45pm.

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

The Chair informed Board members that in Alastair Hamilton's absence Steve Harper would be acting CEO.

2. ITEMS FOR DISCUSSION

2.1 BUSINESS STRATEGY – SECTOR DEVELOPMENT – ICT STRATEGY

Gary Campbell, Sector Development Manager, and Brian Dolaghan, Director Technology & Services Division presented on the Invest NI Digital ICT Sector Strategy.

Gary began by stating that this has been a very successful sector for NI over the past two decades. Companies such as BT, Fujitsu, and Nortel have developed groundbreaking technology and introduced it here first.

He provided an overview of local strengths, such as excellent academia and the creation of students with leading software engineering skills. As a result of this a number of key clusters have developed with both locally and internationally owned businesses and R&D centres combining to illustrate the strength of these clusters. He highlighted not just the opportunities but also the issues being faced in growing the sector. In particular the challenges to fill vacancies, a continual frustration for companies, and trade and the need to support companies to achieve higher levels of sales. These twin areas will be a key focus of the strategy going forward.

He spoke about the launch of the NI Cyber Centre as well as our strength in data analytics and, in summary, he noted the ongoing focus on skills, trade, R&D and FDI capability.

Members thanked Gary for a good analytical presentation. Board members noted the skills issue. Skills are our biggest asset and must be used wisely; with more artificial intelligence being introduced these skill sets may change. It was also noted by members that though NI's engineering in IT is world class, the sales and marketing element is not and the creation of academies to enhance this area is a priority. The Chair suggested that Invest NI should investigate the possibility of a skills and marketing course in partnership with Enterprise Ireland. Olive Hill indicated that courses run by companies can be more productive than actual degree courses, The

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Chair added that a Kellogg's type degree, or similar, offers a unique route to training. Rose Mary Stalker said that these training opportunities should be part of the strategy and more needed to be done to 'upscale' companies in this sector.

2.2 BUSINESS STRATEGY – TRANSFORM – DIGITAL STRATEGY

Dave Vincent (Chief Digital Officer) accompanied by Alison Nicholl (Invest NI Digital Champion) presented on the Business Strategy – Transform – Digital Strategy.

Dave provided Board members with a flavour of the various elements of the Digital Action Plan and how they are brought together. He spoke about Invest NI's online presence, the activity delivered to date as well as the focus for the forthcoming year. In particular he highlighted the MyINI customer self-service portal and its customer phased rollout for 2018/19. He explained to members that to date the focus has been mainly transactional between Invest NI and customers. However, with the exploitation of technology and in turn leveraging what we have for our customers, in future the digital shift would be more towards engagement.

Dave also talked about data transparency and what has been delivered to date, including: open data with regard to historical financial offers of support; updated regional briefings formats; release of supporting data; the appointment of a Data Protection Officer; and a GDPR implementation plan already in place.

He concluded by speaking about 'Digital Culture' and 'Capability'. He highlighted the continued importance of data integrity, the progress with 'agile working' and also the continual buy-in from members of staff and team engagement. Board members were also given a look at potential digital futures including data analytics, artificial intelligence, the customer digital challenge and digital workforce enablement.

Gerard O'Hare asked if the organisation was behind on development and playing catch-up. Dave stated that this was the case, but with multiple components to be brought together and progress towards an application process to develop tools to

OFFICIAL – SENSITIVE – COMMERCIAL

support the business, the organisation is making rapid gains. Olive also noted the rapid acceleration in development from where we were. Brian Baird commented that it was good that we were moving to this drill-down capability and that the involvement of staff in the process is everything. Mel highlighted the potential benefit to the claims process as a result of the new portal cutting the rejection of forms in half. Members asked if this digital portal for SMEs would encompass all interventions. The solution is that the portal could be tailored and refined to needs as development moves on.

2.3 BUSINESS STRATEGY – TRANSFORM – FORESIGHTING UPDATE

Martin Robinson, Invest NI Strategy Manager, joined the Board meeting to present an update on Foresighting.

Martin began by explaining what Foresighting is and why it matters to Invest NI. Foresighting is looking outwards at trends and drivers that may impact Invest NI's future business and service offerings. It informs strategic thinking and development resulting in new business opportunities, innovation and greater efficiencies.

Martin explained that we have established trial Foresighting teams across the organisation at all levels and grades involving as many staff as possible. This is primarily a drive to generate and bring forward strategic ideas that staff are keen to explore but as yet have not been able to progress. Team engagement should improve ownership of implementation and development of pragmatic solutions, making opportunities real going forward.

Martin finished by looking at 'What Next?' and the niche areas, such as Artificial Intelligence, in which NI could become world-leading. Board members thanked Martin for his presentation but commented that perhaps the next steps in the Foresighting approach need to be more specific.

2.4 EMPLOYEE ENGAGEMENT ACTIONS

Mary de Almeida from HR, and Clare McLaughlan, Learning & Development Manager, joined the Board meeting to present an update on Employee Engagement Actions.

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Mary began by providing Board members with evidence of the extensive staff consultation that has taken place this year, following the survey in October 2017. She informed the Board of the Employee Engagement Action Plan which has been developed for 2018/19. It has five distinct layers: Leadership; Career Development; Staff Movement; Career Development; and Reward and Recognition. The intention is to roll this out in May.

Mary highlighted the steps to be taken within these layers, such as: a new approach to performance management; a review of the 'transfer policy'; opportunities to move prior to generic recruitment; a new reward and recognition scheme and encouraging the use of Notepad. She stressed that cultural change takes time and there will be no employee engagement survey this year to allow time for the changes to bed in. Mary elaborated on the check-ins as part of the new performance management approach and confirmed that, apart from job planning, the midyear and end of year review, they were not mandatory. The Board queried why check-ins were not 100% mandatory but after discussions around accountability and building trust, they agreed with the lighter touch conversational approach.

Clare presented on the linkages between personal growth and career development. Staff need to understand their skills and strengths as well as areas for development. This focus on personal growth is supported by the employee engagement actions of PDP completion, sharing learning stories (600 days training over January/February/March 2018), Career Development Workshops and Career Pathways. Clare also highlighted the new target on the scorecard to move PDPs from 40% to 60%. Board members disagreed with the 60% target and believed that 100% should be the goal. Amanda Braden explained that feedback was taken from staff and that this was about choice and not mandatory.

The Chair supported accountability of our leaders, with Board members emphasising that the quality of conversations is important. Amanda stated that the consensus is

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that staff do not want a box-ticking exercise. She also noted that genuine engagement is necessary and the desire is for the focus to be on the conversation.

ACTION – Amanda to come back to Board with more information on the PDP process to support a discussion on PDP target.

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. Members were informed that testing of a new board management system will be commencing shortly. Members will be updated on progress at the next meeting. With regard to the Access to Finance working group, Brian Baird will be taking up a position on this group.

3.3 CEO REPORT

Steve Harper, as acting Chief Executive, asked the Board to note the CEO report.

Firstly he asked the Board to note the number of key projects that have been assisted recently, including Mallaghan Engineering, Novosco and Fieldfisher. He also asked members to note the recent Aerospace & Defence Summit held in Seattle. A group of ten NI companies attended which made up 50% of the total UK attendance at the event.

The acting CEO also spoke about the healthy pipeline of inward visits. In particular, Invest NI hosted 16 newly-appointed Heads of Mission (HOMs) (Ambassadors, Consul-Generals and High Commissioners) from 11 - 12 March. The HOMs were visiting NI as part of their induction programme before taking-up their posts. This type of visibility can give NI a head start when we go to the individual markets. Finally he

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referenced the significant amount of local Council interaction in March with 30 meetings taking place between Invest NI and Council representatives.

3.4 (A) END OF YEAR RESULTS

Brian Dolaghan joined the meeting to present on both the end of year results and the 2018/19 Operating Plan

Firstly he advised members that the year-end customer satisfaction results would be brought back to Board as they are not available until next month. He noted that there has not been a reduction in absenteeism; the outturn is 3.88% with long term absence being the main issue. In the organisation's overall performance, as projected, all targets were achieved. There are still challenges around skills investment but progress is being made to resolve these. Board members offered congratulations on an overall strong performance.

3.4 (B) 2018/19 OPERATING PLAN

Brian then presented the Operating Plan. He was joined by Carolyn McKenna from HR.

They began by covering the four quadrants, namely customer, people, process and performance. Board were in the main content with the customer quadrant. There were no issues with regard to the process quadrant. There was some discussion of the performance quadrant. Rose Mary Stalker stated that in light of the change in unemployment figures Invest NI perhaps needs to be more focused on salaries above the PSM. She also asked if we should have regionally focused targets. Tracy Meharg spoke of issues surrounding full-employment and labour availability. It was agreed that this was an important area which warranted more focus and therefore time will be allocated for discussion at a future board meeting. The discussion will principally be about resource allocation, prior to which Rose Mary will provide Donal Durkan with a number of key discussion points.

OFFICIAL – SENSITIVE – COMMERCIAL

The main debate centred around the people quadrant which is in turn linked to the paper on absence targets.

3.5 ABSENCE TARGETS

Carolyn McKenna asked the Board to note the paper on Absence Targets.

Within the people quadrant it was shown that the absenteeism levels target is to be set at 3.7%. The target was originally 3.4% but the outturn was 3.88%. Board wanted to understand the underlying dynamics as to what is causing this. Carolyn stressed that this paper sets out the conclusions and context of why 3.7% is the recommended figure going forward. It was noted that there was a surge in the final quarter of the past year but there was the mitigating circumstance of the flu out-break. Carolyn also pointed to the rising age profile and that long term sick accounted for over 50% of our absences. Board were sympathetic to some of these. However, Mark Sweeney commented that with such a rise there must be something more fundamental to account for this.

ACTION – Amanda to present back to Board on absenteeism.

3.6 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel noted that at this early stage the provisional outturn for 2017/18 is looking very positive. Significant work was completed by a number of teams in the run in to the year-end and this allowed Invest NI to achieve the outturn forecast. It is appropriate to recognise these teams, particularly in relation to SFA and R&D expenditure.

However, the run in to the year-end was not without a number of challenges:

- A small number of higher value claims were not received until the last few days of the year; these had been forecast much earlier in the last quarter.
- We also had a number of material movements across categories and this required careful management centrally.

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In terms of the outturn the following points are relevant:

- Overall on Programme we are reporting a provisional spend of £141.9m.
- Whilst this may appear to be an overspend it is made up of a number of discrete lines that are reported and controlled individually as summarised in the table on page 2 of the Finance Report.
- As forecast we missed the cash target, largely as grant claims arrived late in the year and could not be processed in time to draw cash

This is made up as follows:

- EU spend – We have received c. £2.3m of claims against ERDF eligible projects. In simple terms EU expenditure is matched by a corresponding recognised receipt and therefore this overspend has no impact upon our outturn. The important issue for the Board to note is that we continue to forecast a full draw down of ERDF funds over the life of the programme.
- Financial Transactions Capital – FTC is forecast to be underspent by £954k. This is exclusively related to a sub-contractor on the Glenmore SUPL Project going in to administration just before the year-end. Unfortunately, this was outside of our control and happened so late that there were no alternative actions that we could take to mitigate against this underspend. FTC is ring-fenced and we can use FTC monies for limited purposes.
- Capital – On expenditure we have an under spend of c. £504k but this is offset by a corresponding share redemption that did not complete before the year-end. We are therefore forecasting that we will be close to budget on capital.
- Resource – As reported previously we had an under spend on Admin related largely to recruitment not completing as originally forecast. This has been offset to some extent by additional grant claims on baseline and lower receipts. Therefore we expect the net position to be under budget by some £85k. Mel emphasised that by any measure this is very good.

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He highlighted two other issues in the Finance Report:

- We have yet to complete our work on non-cash. This includes grant provisions, depreciation, cost of capital etc. Grant provisions is a significant number in our Accounts and one that the auditors take a great deal of interest in. As soon as we have an indication of the non-cash movements Mel will report this to the Board.
- Secondly, we have yet to receive confirmation of the capital allocation for 2018/19.

In conclusion, overall the provisional outturn is in a very good place at this stage. The next steps will be completion of the draft statutory accounts by 15th May and completion of the audit by the end of June.

3.7 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter gave a brief overview of PR and media activity in the past year. He alluded to traditional activity and also the move in digital PR which has produced 16 online features. There has been a focus on the strongest stories and this in turn has produced a better impact rating with the stories having a greater impact on readers. He noted that with regard to international advertising the General Awareness Campaign, which aims to raise the profile of NI as both a trade partner and location, had produced a substantial click through rate, which was well above the industry standard. He also explained that although we were scaling back on events we were maintaining a focus on digital engagement.

Board members commented on the Mystery Shopper results and in particular the 66% answered figure. Members asked for this number, and the analysis around it, to be clarified.

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ACTION – Olive to provide more context/clarification around the 66% calls answered figure.

3.8 CASEWORK REPORT TO THE BOARD

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

4. CHAIRMAN’S BUSINESS

There was no Chairman’s business to note.

A.O.B.

There was no AOB to note.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 30th May and will be held at Invest NI HQ Bedford Street.

The Board Meeting ended at 4.50pm.

William Hoey, May 2018

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**ONE HUNDRED AND FIFTY FIFTH MEETING OF THE INVEST NORTHERN
IRELAND BOARD, 30 MAY 2018
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)

Deborah Lange

Padraig Canavan

Ken Nelson

Brian Baird

Mark Sweeney

Rose Mary Stalker

Judith Totten

In Attendance: Amanda Braden, Tracy Meharg, Steve Harper, Donal Durkan, Mel Chittock, Peter Harbinson, Jeremy Fitch, Olive Hill, and Carol Keery

Minute Taker: William Hoey

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.00pm

Apologies: Alastair Hamilton, Scott Rutherford, Mark Nodder and Gerard O'Hare. Padraig Canavan joined the meeting at 2:35pm. Rose Mary Stalker left the meeting at 3.00pm.

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

The Chair also informed Board members that in Alastair Hamilton's absence Tracy Meharg would be acting CEO.

2. ITEMS FOR DISCUSSION

BUSINESS STRATEGY – TRANSFORM – AGILE WORKING UPDATE

George McKinney, Strategy Manager, presented an update on Business Strategy – Transform – Agile Working.

George began by giving a brief recap on why Agile Working is being used and the drivers behind the strategy. He referenced its efficiency, its flexibility, promotion of staff movement and the focus on personal development as well as highlighting its alignment with Invest NI's Transform programme. He noted Agile Working's implementation approach as well as the progress within Business Improvement, in particular he mentioned the 'A3 Approach' which is being used to facilitate this progression. He also stated the eleven new assignments launched as part of this progression, coupled with a sizeable number of 'expressions of interest' from staff.

George highlighted some of the issues and lessons learned to date, illustrating the time required to deliver improvements due to higher levels of complexity and multiple stakeholders. He also noted the assignment specifications need to be clearly defined and understood, and that engagement with ELT sponsors is vital for progress. George did state that there has been good cooperation between managers and staff. Feedback has been that it can be hard to balance your 'day-job' with part-time assignments and difficult to leave the 'day-job' for full-time assignments. On the whole there has been on-going success but too early to judge – the challenge will be to maintain focus on promoting movement of staff and personal development. In conclusion George noted the way forward with a main driver being the adoption of the A3 approach with a focus on clarity, consistency and simplicity and training noted as a key component.

Members thanked George for an informative presentation. Mark Sweeney did note prioritisation as a step to business improvement with methodology developed to enable change. He also asked was leadership in the process clear to see? George replied that there was a definite ELT sponsor role for larger projects and initiatives.

OFFICIAL – SENSITIVE – COMMERCIAL

Rose Mary Stalker followed this by stating that mandate and authority need to be given to leaders who are driving change. Rose Mary also raised the issue of A3 being a problem-solving tool which might be restrictive in tackling business improvement.

The Chair indicated the importance of following through with staff who had been initially unsuccessful – other opportunities will coming along. George stated that this had indeed been the case with a light-touch approach used and flexibility, highlighted by staff indeed moving to other roles. The Chair stated that it was good to try and keep this as a win/win.

2.1 BREXIT UPDATE

Donal Durkan, joined by David Roberts (Evaluation Manager), presented an update on BREXIT.

Donal began by showing Members the overall Brexit timeline from referendum to EU exit. He then noted the current state of play in particular the withdrawal agreement with the EU draft being negotiated and differing interpretations of the ‘backstop’ to avoid a ‘hard border’ between NI and RoI. He referenced the ‘transition’ period with the status quo remaining until December 2020 which has been set to align with the end of the current EU budget period. He made mention of the future relationship where the EU has offered a version of a free-trade agreement with no tariffs on goods – he stated that the UK blueprint is set to be published in June.

He then referenced to Board members the transition period in practice with the continuation of the freedom of movement, existing EU nationals remaining in the UK but having to register with the Home Office to retain ‘settled status’, continued membership of the Single Market and Customs Union and no changes to state aid rules with continued participation in EU programmes.

Donal then showed Members the Invest NI Think Ahead web page which aims to advise businesses to mitigate risks as well as maximises opportunities of Brexit. With this Donal felt it was important that the organisation escalates its activity in this regard

OFFICIAL – SENSITIVE – COMMERCIAL

as well as increase our visibility in terms of what we do. He noted recent activity including staff workshops and the development of Brexit products as well as engagement and influencing such as regular attendance at various Brexit events and presentations to all 11 local Councils.

He informed Board of a new Brexit plan comprising of three main elements - Evidence Base and Strategic Insight, Awareness and Understanding and Equipping Firms for the Changes Ahead – an integrated package of this will be launched in September; Donal also indicated that the ramping up of activity will mean a dedicated team if required. Donal concluded by stating that the next six months will be critical in clarifying the shape of Brexit with Invest NI becoming much more proactive and visible in the months ahead – a flexible and adaptable approach will be required.

The Chair noted that with little or no clarity on what Brexit means, companies have become weary and that most companies as SMEs will not waste resource on Brexit. He stated that before going out to companies with a range of support we need to have better clarity and it is unlikely that we will be in this position by September. Mark Sweeney agreed that it was likely to be at earliest October and probably later before we have the level of clarification to move this forward aggressively. This was echoed by Ken Nelson who also stated that in his experience the online tools available have not been a big success to date.

2.2 2017 KPI RESULTS – BUSINESS STRATEGY SECTORS

Jeremy Fitch presented on Invest NI's 2017 KPI results.

Jeremy began by giving an overview of the new Business Strategy which will in turn focus on outcomes. He explained the context behind the Strategy as well as the metrics used. At this juncture the Chair inquired if the issue of Corporation Tax had been taken into account. Jeremy responded that it had but would only be applicable at the end of the reporting period.

OFFICIAL – SENSITIVE – COMMERCIAL

Jeremy looked at the broader picture of the Invest NI portfolio before breaking this down to numbers in both the Account Managed and Entry categories. He then moved on to a sectoral analysis of the 2017 KPIs, further breaking information down by external sales, employment numbers and the sector contribution by portfolio as well as the destination of sales. He referenced to Members that these break downs give a very good analysis of what is happening in our customer base. He also looked at Business Size Analysis highlighting the importance of large companies.

Board members thanked Jeremy for his presentation and detailed analysis. Mark Sweeney indicated that perhaps employment change needed to be more refined in the final analysis. Ken Nelson noted how the size of companies is split across all sectors and we need to manage companies in such a way as to give them the best service. He also noted sectoral commonality and its importance in getting behind winners more rapidly – the creation of an environment to help companies flourish.

Brian Baird stated that an understanding of the difference between product and the service was still required as product orientation is the key driver. Jeremy responded that with the introduction and help of KPIs, and the complex drilling-down that this entails, these will certainly aid decision making in the future.

2.4 BUSINESS STRATEGY – PARTNERSHIP – MATRIX

Rob Hardeman (Chair of MATRIX) and Bernard McKeown (DfE Economic Policy), joined the Board meeting to present on MATRIX & Invest NI – Enhancing the Partnership.

Rob began by providing Board members with a brief overview of MATRIX – essentially an advisory body to the Department of Economy on science and technology to aid economic growth and wealth creation, as well as their guiding vision. He noted Foresight and Horizon Scanning and how we can enhance and ultimately improve the economic performance of NI. He also highlighted the outcomes of DfE’s 2017 Review of MATRIX, and the development of a three-year future-focused work programme.

OFFICIAL – SENSITIVE – COMMERCIAL

MATRIX will also play a bigger role in advising on how NI can better compete for UK funds – those such as ISCF and UKRI.

Both Rob and Bernard went into some detail regarding the MATRIX three year Work Programme, in particular DfE working more directly with MATRIX to help frame advice to be sought and questions to be asked. They also intoned a better and more open working relationship between both Invest NI and MATRIX and ultimately DfE. Rob concluded by noting MATRIX's main challenges and goals specifically closer integration of Invest NI into the MATRIX process from the outset, he also stated that he wished to report back to the INI Board in the near future to provide and update on the progress.

Tracy thanked Rob and Bernard for their presentation and stated that there was already a closer working relationship with MATRIX with more ideas being brought before the panel.

The Chair supported these ideas and routes forward but also wanted more specific examples of where work could be improved. He stated that Artificial Intelligence is one area there could be a more joined up approach of how to work in that space – this is a clear local strength with positive effects. Rose Mary Stalker noted that detail is important and that MATRIX should come back with some key identifiers – what specifically do we need to do to get the synergies required? Rob stated that he would get the feedback needed and report back.

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. Members were informed that testing of a new board management system had now commenced. Deborah Lange gave a brief update in GDPR and where the organisation sits. A paper was brought before the ARC meeting earlier in the day and in terms of readiness Invest NI is in a positive position with the aim being 100% compliant as soon as this can be achieved. There will be quarterly updates on assurances with the next update scheduled for September. Deborah also noted that the Risk Workshop follow-up will happen in October.

Mel gave a brief update on engagement with the RHI Inquiry.

Olive updated on the query from last month's meeting on the Mystery Shopper results with the stated aim to be 100% compliant.

3.3 CEO REPORT

Tracy Meharg, as acting Chief Executive, asked the Board to note the CEO report.

Tracy noted Bill Scott's imminent retirement in September. She also updated members as to the state of play Re: the Skills Growth Programme and the issues surrounding DoF's non-approval of the previous 2 year extension. This decision would result as expenditure during this period being deemed as irregular

She moved on to state that the organisation has started the year in a very strong position with the Work in Progress both locally and externally looking very good and the pipelines are strong. She noted some important key announcements as well as an inward visit by Danske Bank with a view to establishing a customer protection unit. Tracy also noted possible public sector relocations, particularly those relating to regulatory functions and management schemes. She confirmed that initial scoping is under way – this could result in high quality jobs and possible cluster creations. Brian Baird welcomed this and the potential opportunities involved in not just head-count but function transfer.

OFFICIAL – SENSITIVE – COMMERCIAL

Steve Harper also noted the forthcoming International Conference with stakeholder invites about to be sent out.

3.4 PERFORMANCE MANAGEMENT & ABSENCE TARGET UPDATE

Carolyn McKenna and Clare McLaughlin joined the meeting to present on Absence and Personal Development Planning.

Firstly Clare set out the context for personal development noting its main objectives. She also highlighted the theme of ‘conversations’ rather than a narrow focus on performance objectives – talking about ambitions, development and progression, and in terms of development there are mandatory areas as well as future areas to explore. Clare stated that the scorecard target is 60%; she also noted that 100% of all personal developments plans are discussed and agreed.

The Chair emphasised that there needs to be encouragement, staff have to be aware that the opportunities exist in the first place.

Mark Sweeney was of the opinion that there are still issues not properly addressed – to have no plan leaves a gap in development. The Board, on reflection, agreed to endorse the 60% figure on the basis that it will be reviewed at the end of the year.

ACTION: Approved

Carolyn McKenna then presented further detail and analysis provided in Board paper 4 with the proposed absence target for 18/19 set at 3.7%. The target for 17/18 was 3.4% and the actual outturn was 3.88%. She also noted increasing absence over the last 4 years stating that if this current trajectory continues the organisation will reach a cumulative figure of 4.4% by March 2019.

She highlighted the main reasons for absence and also an increasing age profile. She referenced that benchmarks had been used as comparators and also how are things being done differently in terms of managerial effectiveness.

OFFICIAL – SENSITIVE – COMMERCIAL

Carolyn pointed out to Members a number of key actions planned for the year ahead to reduce the levels of absenteeism. She also noted the potential impact of the new absence management policy which is yet to be fully embedded and stated that managers will have more tools and support at their disposal to have an impact in reducing absence. She concluded by maintaining confidence that the 3.7% target will be reached.

Tracy pointed out to Members the more aggressive policies being put in place to help achieve the target. Mark Sweeney expressed concern at the allowing the target to increase and the need to ensure that this was not an acceptance of continued rise in this metric. Deborah Lange suggested that it should be emphasised more to staff how important they are to Invest NI and the absenteeism appears linked to engagement

Board members endorsed the target of 3.7%.

ACTION: Approved

3.5 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel gave a brief update to Members on the organisations finances. Since the provisional outturn had been submitted to the Department that had been some slight changes in the overall numbers but that the overall net effect is zero. He stated that the organisation was on target to deliver and that there were no major material movements.

He noted that the non-approval by DoF of the Skills Growth Programme would result in a qualification on the regular accounts as irregular spend but the impact of this is being minimised.

Deborah Lange noted Admin expenditure being under budget and asked if we can accelerate recruitment or bring in secondees to assist in the short-term? Mel advised that secondees was an option for consideration.

OFFICIAL – SENSITIVE – COMMERCIAL

Deborah Lange gave a short update on ARC held earlier in the day. Deborah stated that Michael Woods from Internal Audit had noted that the organisation had performed satisfactorily and that he noted that the Skills Growth Programme issue was not a systemic problem but a one off issue so would not impact this rating. She also referenced the Risk Register and that a new risk was proposed regarding the lack of an Executive – the ramifications and long-term issues of not having a sitting Assembly. GDPR and disposal of hard copy files was also discussed at ARC.

3.6 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter gave a brief overview of forthcoming PR and media activity. He noted announcements for both FDI investments and local company growth, in particular he referenced the recent Excelledia FDI announcement from Qatar. He also noted the recent Innovation Voucher call with 43 vouchers being awarded. He alluded to GDPR compliance and the communications to both customers and staff. He concluded by bringing to Members' attention the sizeable number of forthcoming scheduled events.

3.7 CASEWORK REPORT TO THE BOARD

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

4. CHAIRMAN'S BUSINESS

There was no Chairman's business to note, however, he did reference Board appointments and the need for Board members to be content Re: proposed extensions to cover the timeframe of a recruitment process – likely to the end of December 2018.

A.O.B.

There was no AOB to note.

5. DATE OF THE NEXT BOARD MEETING

OFFICIAL – SENSITIVE – COMMERCIAL

The next Board meeting will be Tuesday 26th June and will be held at Invest NI's Southern Regional office in Newry.

The Board Meeting ended at 4.30pm.

William Hoey, June 2018

OFFICIAL – SENSITIVE – COMMERCIAL

**ONE HUNDRED AND FIFTY SIXTH MEETING OF THE INVEST NORTHERN
IRELAND BOARD, 26 JUNE 2018
INVEST NI SOUTHERN REGIONAL OFFICE, NEWRY**

Present:

Invest NI Board

Mark Ennis (Chairman)

Deborah Lange

Padraig Canavan

Gerard O'Hare

Brian Baird

Scott Rutherford

Judith Totten

In Attendance: Alastair Hamilton, Amanda Braden, Tracy Meharg, Steve Harper, Mel Chittock, Peter Harbinson, Jeremy Fitch, Olive Hill, and Carol Keery

Minute Taker: William Hoey

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.45pm

Apologies: Ken Nelson, Donal Durkan, Mark Sweeney, Mark Nodder and Rose Mary Stalker.

The Chair asked members to declare any conflicts of interest relating to today's meeting agenda. The Chair registered an interest in Liberty IT, a recent recipient of Invest NI assistance. No conflict of interest was anticipated, however, if any arose he would leave the meeting.

2. ITEMS FOR DISCUSSION

2.1 FIRST DERIVATIVES – COMPANY PRESENTATION

Brian Conlon, First Derivatives (FD) CEO, was invited to present on his company.

OFFICIAL – SENSITIVE – COMMERCIAL

Brian began by giving a brief history of the company, its journey to date from purely a consulting firm to the creation of a software division, and the company's strategy for its continued progression namely that of reinvesting in their own business, focus on a strong pipeline, winning market share and growing market opportunities. He also highlighted the business's strong financial performance – the growth in key metrics such as revenue and software, the improvement in revenue quality and the importance of maintaining a strong financial discipline.

Brian highlighted FD's consulting strengths namely those of its talent pool, scalability and training. He outlined the graduate intake which takes place once a month, in turn referencing a figure of over 600 graduates trained in two years with a continuous commitment to quality.

Brian advised Board members on the performance of the company's software division and the importance of Kx technology in this new 'Data Age' with the continual rise of in-memory computing and streaming analytics. He also noted FD's results in both the FinTech and MarTech areas as well as the expansion into new markets. He concluded that the company had a strong pipeline and a positive start to the new financial year.

Board members thanked Brian for his detailed presentation and congratulated him on the ongoing success of his business. Brian responded thanking Invest NI for support over the years.

2.2 BUSINESS STRATEGY – SECTORS – LEGAL SERVICES

Anne Beggs (Client Manager), presented an update on the Legal Services Sector.

Anne introduced Legal Services to Board members by highlighting the KPIs of this sector in terms of both sales and jobs. She went on to highlight the key clients in the sector as well as the increase in growth in the Legal Services portfolio, largely driven by FDI, with both sales and employment showing an increase year on year.

OFFICIAL – SENSITIVE – COMMERCIAL

Anne explained that prior to 2010 this sector had a largely domestic focus with limited entry points. She noted catalysts for the development of this cluster, such as a surplus of graduates as well as emerging key trends in the global legal industry – disaggregation, outsourcing, the leveraging of legal technology – these and other areas are key drivers of the behaviour of Invest NI’s clients. She also highlighted that in 2016 the legal tech and resulting clusters took off which illustrated an enhancement of NI’s legal tech credentials.

She concluded by looking at the impact of the development of this sector. In particular Anne referenced the enhanced profile for NI legal services and the growth in the legal technology cluster. She noted that new law firm investors bring new career paths and an increase in the diversity of the labour pool. She also stated that though the graduate pool is still sizeable there is a lack of home grown talent, with the idea of ‘attracting back’ talent becoming more important. In finishing Anne noted some sector priorities such as continued growth through FDI, exports and stakeholder management.

The Chair thanked Anne for her informative presentation and also asked about the impact from Artificial Intelligence (AI) on jobs in the legal and financial services sector? Anne stated that she was aware of work being done which highlights this issue. The Chair asked if this could be looked at as well as seeking feedback from Invest NI clients on the impact on employment from AI.

ACTION: Jeremy to respond with feedback from clients on AI’s potential impact.

2.3 BUSINESS STRATEGY – SECTORS – DUNNHUMBY FOOD REPORT

John Hood (Director Food & Drink), was joined by Thelma Fitzgerald (Client Executive) and Grace Carson and Ryan Harty (QUB PhD Researchers) to present on the Dunnhumby Food Report.

John began by highlighting to Board members the recent food and drink trends as well as the challenges that remain within the sector. He noted issues around sustainable farming, packaging, food transparency and changing consumer habits. He brought to

OFFICIAL – SENSITIVE – COMMERCIAL

members attention to other challenges and opportunities that lie ahead as a result of Brexit. By way of introduction to both Grace and Ryan he noted a version of 'The Future' with the end consumer being at the centre – buyers, like Tesco, want to know who's buying what produce.

Grace advised Board members on the work QUB has been doing and in particular the CERES project – 'Helping Producers Grow'. This is primarily based around free market intelligence and customer insights coupled with engagement with small firms. She gave members a short overview of the Shopper Insight Report which used both quantitative and qualitative data research.

Ryan explained the value of this data, the insights it provided into various market segmentations and the indications of who 'your' customer is.

Grace concluded by looking at next steps. She indicated that they would propose a continuation of data supply coupled with specific knowledge transfer to food businesses along with using segmentation to target gaps with current or new products. The data would also be used to enable a more targeted specific 'New Product Development' for suppliers along with indicating opportunities within the GB market.

To sum up Thelma advised members that a new team had been set up within the Food Division to deal with this new, real customer data. The team will utilise the Dunnhumby/Tesco Clubcard data and will scope other sources of market intelligence in Invest NI's own Business Information Centre as well as continuing development of retailer pitch plans. The Chair thanked the team for an insightful presentation.

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. Members were given a further GDPR update advising that a paper with Invest NI's rationale would be forthcoming at the September Board meeting.

3.3 CEO REPORT

The Chief Executive, asked the Board to note the CEO report. Firstly he noted the recent Staff Conference and the feedback received from it to date. That event coincided with International Week, which along with the recent Leadership Event proved very successful and were both well received.

He informed members that he had recently travelled with the Department of Economy's Permanent Secretary to London to view the proposed new Invest NI office at King's Cross.

ACTION: Steve Harper will share copies of the London Office floorplan when available

The Chief Executive highlighted several recent important announcements most notably FinTrU and the creation of 605 new jobs, substantial projects from Teamwork Saas and also Eirtech.

Peter Harbinson referenced the visit to Belfast of a global delegation of 20 DIT staff from overseas posts – the visit centred on local regeneration and investment opportunities. He also referenced Allstate anchoring themselves in Belfast with the opening of their own premises.

To conclude the Chief Executive reiterated to members some point he made at the most recent ARC meeting in reference to the Skills Growth Programme and the approach to be adopted by Invest NI in response to the need to regularise spend. Board supported the view that Invest NI should not put unnecessary pressures on customers as a result of this decision by DoF.

3.4 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel noted to members that Invest NI's accounts for 2017/18 have now been finalised and that the consolidated accounts have been presented to the Audit Committee. These accounts include Invest NI, NI-CO and BSDL Group. He advised Board members that the audit of both NI-CO and BSDL accounts have now concluded with no significant issues being reported.

With reference to Invest NI's accounts Mel stated that the audit is continuing and would do so until the end of June; he confirmed that all of the substantive testing is now completed and that a draft Report To Those Charged With Governance has been issued. However, in this report there are two issues which have been raised. The first error is in the spreadsheet on Grant Provisions – this was deemed not material and therefore no adjustments required.

The second and more substantial item is the reference to the Skills Growth Programme. At last month's Board meeting Mel updated members on the issues surrounding this. He informed members that discussions with the Department of Finance were still ongoing; once these are concluded we will decide on what course of action we take next in relation to expenditure in this year and future years. A likely outcome will be a qualification on our accounts for this year.

At this point Deborah Lange briefed members that the Audit had gone well. She noted that Tomas Wilkinson's (Northern Ireland Audit Office) statement that Invest NI staff were very helpful and cooperative during the audit and that few adjustments were needed. Deborah wanted her thanks passed on to the Finance team responsible. The Chair echoed this and asked that thanks from Board members be passed on.

Deborah Lange proposed the Invest NI accounts to Board, this was seconded by Dr Gerard O'Hare.

3.5 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter advised members of the recently held tender exercise for a contractor to undertake PR for the GB and Europe territory. The main aim for this contract will be to raise awareness of NI as both a suitable location for FDI and as a trade partner. He noted that this tender has now closed with an appointment likely to be made in late June. Peter also briefed members on the extensive planned PR activity for June and July.

3.6 AUDIT & RISK COMMITTEE MINUTES AND RISK REGISTER

Deborah Lange briefed members on the minutes of the most recent Audit & Risk meeting. She advised members that the Emerging Risk register is being monitored. She noted several issues but in particular the risk regarding the lack of an Executive. She finished by stating that consideration should be given to the format of the risk register with 'heat indicators' illustrating movement from previous versions.

3.7 CASEWORK REPORT TO THE BOARD

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

4. CHAIRMAN'S BUSINESS

There was no Chairman's business to note, however, he did note to Board Members the recent staff conference and what a success it was.

A.O.B.

Scott Rutherford highlighted to members the Strength in Places Fund, a new competitive funding scheme which takes a place-based approach to research and innovation funding to promote significant regional growth. He explained the aims and objectives of the fund and mentioned that there had already a number of expressions of interest.

Members were also informed that letters of extension to Board Member contracts were being finalised and then will be posted. Also noted was that DfE's Permanent

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Secretary, Noel Lavery, had sought legal advice on his ability to appoint/reappoint members.

There was no other business to note.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 29th August and will be held at Invest NI's HQ, Bedford Square, Belfast.

The Board Meeting ended at 4.15pm.

William Hoey, July 2018

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**ONE HUNDRED AND FIFTY SEVENTH MEETING OF
THE INVEST NORTHERN IRELAND BOARD, 29 AUGUST 2018
INVEST NI HQ, BEDFORD SQUARE, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)

Deborah Lange

Padraig Canavan

Gerard O'Hare

Brian Baird

Judith Totten

Rose Mary Stalker

Mark Sweeney

Ken Nelson

In Attendance: Alastair Hamilton, Amanda Braden, Tracy Meharg, Steve Harper, Mel Chittock, Peter Harbinson, Bill Scott, Jeremy Fitch, Olive Hill, Donal Durkan and Carol Keery

Minute Taker: William Hoey

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.35pm

Apologies: Scott Rutherford and Mark Nodder.

The Chair asked members to declare any conflicts of interest relating to today's meeting agenda. Judith Totten registered an interest in both Mallaghan Engineering and Rockcastle. No conflict of interest was anticipated, however, if any arose Judith agreed to leave the meeting.

2. ITEMS FOR DISCUSSION

2.1 GDPR UPDATE

Danny Smyth, Invest NI's Information Governance Manager, presented a brief update on the GDPR Compliance Programme.

Danny had previously updated the ARC Committee on the Compliance Programme; at this meeting it was decided that the Invest NI Board be updated. He stated that the organisation is in a very good position and since his ARC update seven key areas are being addressed. These are Data Breaches, Records of Processing, Procurement, Data Sharing, International Transfers, Direct Marketing and Awareness. He gave an update on each area to illustrate not just progress but policies and procedures which have been introduced to ensure overall compliance. In conclusion he stated that 'Awareness' was key to the overall strategy, an awareness to changes in policies and procedures and for this e-learning modules would shortly be introduced for members of staff.

The Chair thanked Danny for a most informative presentation. He was interested in information from the EU with regard to compliance. Danny responded by stating that guidelines exist to share that data and we can show compliance with the existing legislation. Rose Mary Stalker also asked where did the responsibility reside to ensure compliance? It is the Information Governance Manager's responsibility to ensure this and the ARC Committee will be briefed accordingly. The Chief Executive asked that this be shared on a regular basis with Board members.

ACTION: Carol to schedule further Board updates

To conclude Mark Sweeney asked about a 'No Deal' Brexit and its implications. Danny stated that it could well have an impact, however, he stated that even with International Transfers these will remain as such with no change. The final question focused on an increase of data sharing agreements. Danny replied that this was indeed a possibility but in that case Invest NI was covered.

2.2 BUSINESS STRATEGY – ENTREPRENEURSHIP STRATEGY UPDATE

Shauna Fenton (Web Content Manager) and Patricia Devine (Entrepreneurship Manager), presented an update on the Entrepreneurship Strategy, and specifically the “My New Business” Portal.

Patricia introduced the Entrepreneurship Action Plan and its key themes. Firstly she explained the development of products and various initiatives. She highlighted how some of this support would be provided; particularly the use of the NIBusinessinfo website and the newly installed “My New Business” portal. Patricia referenced the collaboration involved with a range of partners including local councils, universities and colleges and the private sector as well as the active engagement in Community Planning Action Plans. She noted to members the proposed role of the Entrepreneurship Champion, an individual who would act as a role model. She also stated how impacts would be measured and the tracking involved as well as the communications and messaging that would be required – this was at present being developed with Invest NI’s Corporate Communications Team. She concluded by stating that the Action Plan should be ready to roll-out in October.

Shauna began by briefly noting the NIBusinessInfo website, the navigation of the business support landscape as well as the engagement with partners and stakeholders and the activities available. She then explained the various features and benefits of the “My New Business” portal which will adopt a task-based approach in order to maximise engagement and ultimately conversion. She highlighted the ‘Start your business checklist’ which is broken down into sections to be more easily digestible, laying out the whole end-to-end process.

Ken Nelson noted that this was an impressive presentation. He asked about the generation of start-ups and Patricia informed members that the Entrepreneurship Forum was addressing this point. Bill Scott also reminded members that this work was being achieved in the absence of an Enterprise Strategy. Gerard O’Hare, whilst appreciating the difficulties in streamlining such a process asked do we know that we are targeting the ‘right’ people, how is it measured? Patricia agreed and stated that it was indeed a very complex process but other bodies have roles to play – not just

OFFICIAL – SENSITIVE – COMMERCIAL

Invest NI, but also DfE and local councils – and that it was important that focus was maintained. Peter Harbinson stated that even though there is an essence of self-selection, we are endeavouring to identify entrepreneurs. Bill Scott also mentioned that to date there is no strong evidence we are missing entrepreneurs and we are working with the councils to promote entrepreneurship better than we did in the past.

Brian Baird fully believed that Invest NI has a role to play and that there was good evidence of a network involved – Invest NI should be in this space as the organisation offers the focus and expertise required. Rose Mary Stalker commented that this was a step forward and that it helped clarify the situation for SMEs.

Mark Sweeney stated that it was unclear where actual ownership lay. The Chief Executive stated that certain functions have been transferred to councils, and yes there are risks involved in this approach. But he also stated that there are no real barriers, the landing pages etc. are non-branded.

The Chair thanked Patricia and Shauna for their presentation and the debate that ensued. He also felt that topics such as this needed more time when presented at Board to allow more time for discussion. The Chair wished to encourage Executive Directors sponsoring presentations to review presentations in advance to maximise impact on delivery to Board.

2.3 BUSINESS STRATEGY – INNOVATION ACCREDITATION UPDATE

Tracy Meharg presented an update on the Innovation Accreditation.

Tracy noted to members that a cross-departmental project board had been established, that the tender has been released and is due to be awarded at the end of September. She informed members of the timeframes involved and the two year cycle measuring companies which are ‘innovation active’ across all the UK regions. She pointed members towards the Innovation Stamp toolkit and application guidelines developed to encourage adoption across the wider innovation eco-system and the support available from the Innovation Readiness microsite and an awareness campaign in 2019. Tracy also made Board members aware that this is an

OFFICIAL – SENSITIVE – COMMERCIAL

internationally recognised innovation accreditation with several levels of recognition awards.

Mark Sweeney inquired about the ultimate goal of the scheme. The Chief Executive responded that it was to provide outcomes on which to measure innovation. Tracy replied that it was to essentially promote innovation. She noted that to attain the highest award the company will require their assessment to be benchmarked. She also stated that this is a positive idea which also aims to enhance collaboration. Rose Mary Stalker made reference to sensitivity around the messaging that businesses were not turned off by the use of terms such as accreditation. The positives of innovation should be the driving force.

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 Actions table was reviewed and addressed. Members were given an update on the Board portal. A contract has been awarded to Decision Time for the supply of their software.

At this point the Chair wished to note Bill Scott's forthcoming retirement and on behalf of Board members wished to thank Bill for not just his long career in economic development but also his legacy and most importantly the enhanced relationship the organisation now has with the various regions of Northern Ireland.

The Chair also wished to congratulate Tracy Meharg on her imminent move to a Permanent Secretary role within the Northern Ireland Civil Service.

3.3 CEO REPORT

The Chief Executive, asked the Board to note the CEO report. Firstly he referenced ELT changes with Des Gartland temporarily stepping up due to Bill's retirement. He

OFFICIAL – SENSITIVE – COMMERCIAL

noted the City Deals process and that bids and due diligence was proceeding. He also noted the DIT partnership and the appointment of two new Director Generals as well as the imminent restructuring of DfE. Board members were also made aware of the status of several projects which require Ministerial approval and those requiring Invest NI Accounting Officer approval. He concluded by updating members on the progress of the Business Strategy.

3.4 Q1 OPMR & SCORECARD UPDATE

Carol Keery and Vicky Kell presented the OPMR and Scorecard Update.

Carol presented detail on absenteeism which continues to run ahead of target with long-term sickness absence being the largest contributor to outturn.

Vicky began by updating members on Claims Processing where there has been a gradual improvement in claims figures with the outturn moving towards target. She then moved on to the Performance Quadrant illustrating to Board both local job and external job figures coupled with figures for R&D and Skills investment. She concluded by giving members and overall picture of the OPMR as it stands after quarter 1. The Chief Executive commented that overall this was a healthy picture for the start of the current year but focus must be maintained.

3.5 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel gave a brief update noting to members that programme expenditure to the end of July is £32m which is over £8m behind profile – this is split between Resource and Capital. He stated that the variance in Capital is mainly due to payments on the Access to Finance funds. Overall spend is in line with last year. He made members aware that the organisation is not proposing to bid in the October monitoring round; the forecasts will continue to be updated as the year progresses and a future call will be made with regard to the December monitoring round. He referenced that there were no concerns on the Admin budget but the recent pay settlement will have an

OFFICIAL – SENSITIVE – COMMERCIAL

impact on this. Finally he made members aware that they now have a final copy of the organisation's annual report and accounts.

3.6 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter briefed members on several large job announcements in particular FinTru, Eirtech Aviation and Mallaghan Engineering. He informed Board of several new investors in Northern Ireland including those of Fieldfisher, Smashfly and McGinnis Consulting. He also stated that there are numerous announcements in the forward planner for September. He noted to members that the GB/Europe PR Contract has been awarded to Weber Shandwick – they will be used to promote the Northern Ireland message primarily in the GB market, however, this may be extended to other parts of Europe.

Board were also informed of the forthcoming pilot for the Innovation Stamp and the Entrepreneurship Champion launch event. Peter concluded by noting the revamp of NI Connections, and that Anne Beggs will be in contact in the near future with Board members in respect of NI Connections.

3.7 CASEWORK REPORT TO THE BOARD

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

4. CHAIRMAN'S BUSINESS

There was no Chairman's business to note.

A.O.B.

The subject of Brexit was again noted and consultancy work has been commissioned on the possibility of a 'No Deal'. Donal Durkan informed members that some preparations had been put in place, in particular a specialist team. The Chair suggested to members that a regular update on the EU Exit would be deemed useful.

OFFICIAL – SENSITIVE – COMMERCIAL

ACTION: Donal Durkan to provide regular EU Exit updates. These will be added to the Board schedule.

There was no other business to note.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 26th September and will be held at the Mid & East Antrim Borough Council offices in Ballymena.

The Board Meeting ended at 4.00pm.

William Hoey, September 2018

OFFICIAL – SENSITIVE – COMMERCIAL

**ONE HUNDRED AND FIFTY EIGHTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 26 SEPTEMBER 2018
MID & EAST ANTRIM BOROUGH COUNCIL, BALLYMENA**

Present:

Invest NI Board

Mark Ennis (Chairman)

Brian Baird

Padraig Canavan

Ken Nelson

Mark Nodder

Rose Mary Stalker

In Attendance: Amanda Braden, Mel Chittock, Donal Durkan, Des Gartland, Jeremy Fitch, Peter Harbinson, Steve Harper, Olive Hill and Carol Keery

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.40pm

Apologies: Deborah Lange, Mark Sweeney, Scott Rutherford, Judith Totten, Gerard O'Hare, Alastair Hamilton, Tracy Meharg.

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

2. ITEMS FOR DISCUSSION

2.1 MID & EAST ANTRIM COUNCIL PRESENTATION

Anne Donaghy, Mid & East Antrim Council Chief Executive presented an update on the Councils recent activities and areas of focus.

Anne stated that the Council has become much more engaged with Invest NI since the recent transfer of functions and feels that this has developed in to an excellent working relationship between the two bodies. Anne stated that the Council now has a

OFFICIAL – SENSITIVE – COMMERCIAL

suite of interventions that they can deliver to companies on the ground and that they are very clear in their role before handing over to Invest NI.

Anne stated that the Councils priority is economic growth and that they are very keen to play a part and get involved in this area. Anne stated that the Council had recently launched its strategy 'Amplify' and she wished to thank Invest NI for the role it played in helping to launch.

Anne stated that up until recently the Council recognised they did not have a strong proposition to help Invest NI sell the Mid & East Antrim area in the FDI area but they are now in a much more healthy position in this regard.

Anne closed her presentation by stating that the Council were pleased that the Invest NI Board had chosen to visit and asked that along with the local MPs, MLAs, businesses and Council if the Invest NI Board would consider returning to have a working lunch. The Chair acknowledged this invitation and said he looked forward to seeing the development of a positive relation between Moira Loughran's replacement, Trevor Robinson, and the Council.

The Chair thanked the Council Chief Executive for her presentation and stated that he can see the energy and enthusiasm of the Council and that Invest NI will do its best to help with the Council's ambitions.

2.2 ACCESS TO FINANCE UPDATE

William McCulla, Director of Corporate Finance presented an update on Access to Finance suite of funds.

William detailed some of the recent investments, committed funds, partnerships, evaluations and funding sources. William also provided a timeline for new and future interventions being launched.

OFFICIAL – SENSITIVE – COMMERCIAL

Ken Nelson stated that he was encouraged to see the current position of the Access to Finance suite and commented that from an IntertradeIreland perspective that there is an increased flow through.

Ken Nelson asked William to clarify the position on the use of Financial Transactions Capital (FTC) and use with Councils. William confirmed that FTC cannot be provided directly to a Council as it has to be through a private entity.

The Chairman thanked William for his presentation and also wished to put on record his thanks to William, and his team, for all the exemplary work that has been done in this area.

Rose Mary Stalker left the meeting at 2.45pm.

2.3 BUSINESS STRATEGY – INTERNATIONAL STRATEGY (inc. NI Connections)

Steve Harper, Executive Director and Anne Beggs, Head of NI Connections provided an update on the International Strategy and NI Connections respectively.

Anne provided the Board members with some history on Northern Irish Connections and stated that a review had been undertaken in 2017. Following the review, a lot of significant work has been carried out to get NI Connections back up and running.

Anne stated that going forward NI Connections will be in the form of a partner forum as opposed to the old membership system. The new partner forum and website will be relaunched on 8th November and Board members will be invited to attend.

Anne closed her presentation by stating that she will be reaching out to Board members to meet with them individually to gain their views and suggestions for the forum. Anne asked that Board members to consider sharing any potential diaspora contacts, returners to Northern Ireland and any other thoughts they may have on how to maximise this refreshed opportunity.

OFFICIAL – SENSITIVE – COMMERCIAL

Ken Nelson asked if it is possible to sign up people who are not originally from Northern Ireland but who are favourably disposed towards the province. Anne confirmed that this can be done and these individuals are known as ‘affinity diaspora’ and she would be more than happy to take suggestions for those connections.

Steve provided an update on the hubs in London, Dublin and Brussels stating that the aim is to officially launch the hubs April 2019.

Action: Steve to share the layout plan of the new London hub along with the address.

Steve also provided an update on the overseas offices, trade and international investment. Steve commented that he was confident that the organisation will hit its jobs target for 2018-19.

Steve wished to make the Board members aware of the processes followed by the International teams in offering corporate hospitality. Steve stated that the International division needs to offer corporate hospitality on occasions and wanted to assure the Board members that all policies are correctly followed and signed off by Steve in advance of any hospitality being offered to potential investors.

Mark Nodder left the meeting at 3.25pm

3. MONTHLY REPORTING TO BOARD

3.1 MINUTES

The minutes of the August Board meeting were revised, circulated by email and approved by the Board members.

3.2 MATTERS ARISING

The Actions table was reviewed and addressed.

Brian referred to the action on risks and activities and stated that he thinks that Board members should know how Invest NI benchmarks against other similar agencies – is Invest NI doing the right thing, particularly in terms of sector performance.

OFFICIAL – SENSITIVE – COMMERCIAL

Brian would like to know if our percentage GVA is better than other agencies. The risk is that Invest NI may be focussed on some of the wrong things and not be aware. Are we doing enough compared to other places?

Jeremy stated that this may take some time to work through but in progressing our sector strategies and KPIs to the next phase the organisation will be looking at benchmarking these strategies. Steve provided some feedback on a recent meeting with Director Generals from DIT in which they were astonished at the level of information we have from our KPIs; other agencies do not have this level of information.

Action: Jeremy agreed to take this forward and carry out sectoral benchmarking against other agencies.

3.3 CEO REPORT

Jeremy Fitch, Acting Chief Executive, asked the Board to note the CEO report.

Jeremy highlighted some of the key projects and announcements as detailed in the report. Jeremy also provided some feedback on a recent visit from the Justice Department of Wales who visited Northern Ireland to view our legal proposition.

Amanda Braden reported that the organisations overall absence rate continues to increase and is running higher than we would like. Amanda stated that the new absence policy has now issued to staff and will be going live from 8th October. Amanda also reported that Human Resources are currently updating the mental health policies to look at what more the organisation can do to support staff.

Amanda reported that she will be meeting with Board members Deborah Lange and Mark Sweeney shortly to take on some further ideas.

Action: The Chairman asked that feedback from the meeting be shared with the Board in due course.

Padraig Canavan left the meeting at 3.45pm.

3.4 BREXIT UPDATE

Donal Durkan presented an update on Brexit.

Donal reported that the organisation has now established a dedicated EU Exit team and a detailed EU Action Plan is now in place covering a range of areas, including Business Engagement, Products and Services and Day One planning.

A wide ranging discussion was held on the current status of the Brexit negotiations and levels of business preparedness, including contingency planning. Initial suggestions were made as to how Invest NI could potentially flex its suite of products and services, including assistance to address higher working capital requirements and temporary investment incentives. Donal stated that a number of options were currently being considered.

Ken Nelson stated that in the past the organisation had used Jobs Fund as a mechanism for emergency support and asked could any of our funding streams be similarly flexed and matched to business requirements.

The Chairman reiterated that it was important to examine all avenues of potential support and remain flexible to respond to the needs of firms locally.

Action: Donal to provide an update on Brexit at the next meeting, to include details on the types of support that could be offered to businesses.

3.5 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel wished to highlight that the organisation is still showing an underspend on the profiled programme budget year to date, but for the full year Divisions are forecasting a pressure of circa £6.5m on the overall annual Resource budget. Mel stated that the performance year to date is largely in line with the position in previous years. He confirmed that Finance are currently tracking the budget forecasts and based on

OFFICIAL – SENSITIVE – COMMERCIAL

divisional updates would expect the pressure on the Resource budget to be manageable as we approach the year-end.

Mel reported that additional Capital receipts of £6m will be received this year from the Energy Efficiency Loan Fund, in which the loan repayments have exceeded the demand for new loans.

Mel referred to the Review of Financial Processes currently being carried out by the Treasury. Firstly Mel referred to the Treasury requirement to split the salary costs into programme and admin budgets. Invest NI have asked DfE for all salaries to be reported as programme budget, and are awaiting feedback on this. Secondly the Review of Financial Processes will consolidate the Invest NI Accounts, and all other NDPB's of DfE, into the Departmental Accounts. This will require a tighter timeframe for preparing the year-end Accounts, which Mel stated would be a considerable challenge. Finance will keep the Audit Committee updated on this.

3.6 ARC MINUTES

In the absence of the Audit and Risk Committee Chair, Mel Chittock provided a short verbal update.

3.7 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter wished to highlight some points from the report namely the nearly 1000 jobs announced over the recent months and as stated by William McCulla earlier the launch of the next phases of the Small Business Loan Fund and Growth Fund.

In the coming month, Peter stated that there will be an announcement at Schrader and some 300 jobs at Camlin in Lisburn. Peter also stated that the team are currently working on the forthcoming launch of the Entrepreneurship Action Plan which will occur in November.

OFFICIAL – SENSITIVE – COMMERCIAL

In relation to the Innovation Accreditation Awareness scheme the tender has now closed with six responses and will move to first stage assessment next week in the hope of completion by October.

3.8 CASEWORK REPORT TO THE BOARD

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

4. CHAIRMAN'S BUSINESS

There was no Chairman's business to note.

A.O.B.

No further business.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 24th October and will be held in IGNITE, Ormeau Baths, Belfast. There will be a Risk Workshop held in Invest NI HQ in advance of the Board meeting commencing at 10.00am.

The Board Meeting ended at 4.05pm.

Arora Upritchard, October 2018

OFFICIAL – SENSITIVE – COMMERCIAL

**ONE HUNDRED AND FIFTY NINETH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 24 OCTOBER 2018**

IGNITE, ORMEAU BATHS & INVEST NI HQ, BEDFORD STREET, BELFAST

Present:

Invest NI Board

Mark Ennis (Chairman)

Brian Baird

Padraig Canavan

Deborah Lange

Ken Nelson

Dr Gerard O'Hare

Mark Sweeney

Judith Totten

In Attendance: Alastair Hamilton, Amanda Braden, Mel Chittock, Donal Durkan, Des Gartland, Jeremy Fitch, Peter Harbinson, Steve Harper, Olive Hill, Tracy Meharg and Carol Keery

Minute Taker: Arora Upritchard

1. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 1.00pm

Apologies: Scott Rutherford, Mark Nodder and Rose Mary Stalker

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

PRESENTATION BY IGNITE, ORMEAU BATHS

Board members visited Ormeau Baths to hear from Tristan Watson, Ignite Programme Manager about two Invest NI programmes - Propel and Ignite Accelerator. Board members were given a brief overview of the programmes and heard from a number of companies about their projects and their plans going forward.

The Chairman thanked Tristan and the companies for their informative presentation.

2. ITEMS FOR DISCUSSION

2.1 BUSINESS STRATEGY – INTERNATIONAL – GLOBAL ACCOUNTS

Bill Montgomery, Director of Advanced Manufacturing and Engineering presented on the organisations Global Accounts strategy.

Bill stated that the purpose of the strategy is to forge new relationships, deepen existing relationships and work in much closer collaboration with all our partners regionally, nationally and globally to deliver against our remit in the most efficient and effective way. Bill detailed the engagement strategy currently being applied to global accounts.

The Chief Executive provided some background as to why the organisation was focusing on global accounts. The introduction of global accounts is an attempt to address the interaction between the international and client teams; resulting in Invest NI clients now having an aligned account plan. It is essential to build relationships for ongoing development of global clients and this strategy is about formalising this relationship and working with clients on a global basis.

Mark Sweeney asked what topics were being touched on in discussions with global clients. Bill stated that corporation tax, Brexit and skills are still the main topics being raised.

Ken Nelson asked how this strategy is being aligned with the work of NI Connections. Bill stated that with the imminent relaunch of NI Connections, plans are in place to further develop relationships between global accounts and NI Diaspora.

Gerard O'Hare asked if the organisation was tapping in to its existing relationships with global companies to use high level executive interaction. Bill replied that we could be more proactive in this area.

Steve Harper left the meeting at 2.30pm.

2.2 BUSINESS CONTINUITY PLAN

Amanda Braden introduced Siobhan Haughey, Contracts Management and Steve Chambers, Internal Operations.

Amanda stated that back in February, the Audit & Risk Committee had requested the Board members be briefed on the organisation's business continuity plan.

Siobhan presented an overview of the organisation's Business Continuity Plan and provided an example of how the plan had been utilised during last years Storm Ophelia. Amanda stated that the objective of the presentation was to provide Board members with the assurance that the organisation has a plan in place and that it is regularly reviewed.

Mark Sweeney asked how the plan was utilised for the unexpected shut down in October. Siobhan confirmed that the continuity plan was put into action to deal with this incident. Amanda reported that the unplanned closure had been a good test of the plan and some lessons can be taken to ensure the organisation can be more productive should it happen again.

3. MONTHLY REPORTING TO BOARD

3.1 MINUTES

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

3.2 MATTERS ARISING

The Actions table was reviewed and addressed. The Chairman highlighted the update paper on the impact of AI.

3.3 CEO REPORT

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

OFFICIAL – SENSITIVE – COMMERCIAL

The CEO referred to some recent projects that have been secured highlighting these as significant wins for the organisation. The CEO commented that he has also recently met with the leadership of BT to ensure that the relationship continues at this time of change in BT's leadership. The CEO also referred to the two recent regional announcements for Alchemy and STATSports which were both excellent regional projects.

The CEO confirmed that the Entrepreneurship launch will take place on 12th November in Armagh and that the Entrepreneurship Champion has now been appointed. The CEO also provided a status update on some of the Business Strategy initiatives.

The CEO also took the opportunity to provide Board members with some feedback from his recent appearance at the RHI Inquiry.

3.4 Q2 OPMR & SCORECARD

Nigel McKernan and Brian Dolaghan presented a mid-year update.

Amanda provided an update on absence management and detailed some of the proactive tools being rolled out. Amanda stated that she had recently met with Board members, Deborah Lange and Mark Sweeney, to gather feedback on whether there were any further actions that could be taken to help reduce absence.

Mark Sweeney was concerned that the organisation was not going to hit its target this year; he also noted the continued increase in long term sickness. Mark also highlighted the benefits of an energised, high performing environment. This can be linked to each member of staff having a personal development plan that maps out their career development. Deborah Lange felt that line managers needed to be trained and supported to deal with this area.

Brian Dolaghan took the Board members through the performance quadrant of the scorecard detailing the current status against each target. Brian stated that overall the leadership team was reasonably confident that the organisation will meet its targets at year end.

3.5 BREXIT UPDATE

Donal Durkan presented an update on Brexit.

Donal stated that the three working groups were now up and running, focussing on Business Engagement, Products & Services and Day One Planning. Donal provided an overview of the online assessment tool that has been developed for client companies. The online self-assessment tool which will generate an automated report covering seven themes – strategy, operations, innovation, sales & marketing, finance, people & management and legal & regulatory is currently going through testing and will be delivered to staff at a Brexit Workshop on 15th November. Support offered by Invest NI will be a combination of one-to-one expert advice, events & workshops, webinars & digital content and grants.

Donal provided an overview of the work being undertaken on the potential impact of a ‘no deal’ scenario on Invest NI and its customers. Grant Thornton have been engaging with Directors and will be speaking to industry representatives over the coming weeks.

Finally Donal took the Board through the Comms planner out to March 2019, including plans to refresh the Think Ahead microsite.

3.6 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel reported that the current programme spend year to date is c. £17.7m behind budget profile. This equates to c. 36% of this year’s budget spent; the majority of this is on resource. The resource variance of £12m is due to a delay in grant claims that were forecast to have been received. Specifically, one client accounted for the majority of the resource underspend year to date. There have been a number of delays in other parts of the business and the impact of these is to reduce demand for resource. Mel also reported that there is an underspend on Admin year to date of £440k; this relates to a change in recruitment profile.

OFFICIAL – SENSITIVE – COMMERCIAL

Mel referred to the December monitoring round request. Mel stated that this is the last real opportunity to adjust our budget. The main resource budget will remain unchanged. BSDL is being brought in to budget management environment and we will release £2.5m of savings in year. ERDF resource budget is reducing by £0.4m; capital budget reducing by £1.5m; FTC capital budget increasing from £10.13m to £11.2m; ERDF capital budget reducing by £2.76m; admin salary budget reducing by £0.8m; resource receipts will increase from £3m to £7.5m and capital receipts will be increased from £10m to £12m.

Mel confirmed that the Finance Team had discussed forecast requirements for the remainder of 2018/19 and had received assurances that baseline requirements were accurately identified.

Deborah Lange asked what the reasons were for the lag in recruitment. Amanda stated that there is a knock on impact of internal recruitment successes which is creating gaps at each stage of the process. Amanda also stated that there are a number of general recruitment campaigns currently underway which should speed things up.

3.7 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter highlighted a number of recent announcements that had picked up good media coverage. Peter referred to the recent Propel Pre-Accelerator campaign stating that there had been over 7000 views of the campaign landing page with 70 applications having been completed and 140 still in draft form.

Peter reported that there has been some good feedback provided on the recent webinars and that the Innovation UK presentation has now been uploaded and is having good viewing figures.

OFFICIAL – SENSITIVE – COMMERCIAL

Peter wished to inform the Board that the Chief Executive will be carrying out an interview with the BBC on 'Inside Business' which will air on 5th November. There has also been a request by 'View from Stormont' for an interview.

Peter confirmed that the re-launch of NI Connections will take place on 8th November and that invites will be issued shortly to Board members.

3.8 CASEWORK REPORT TO THE BOARD

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

4. CHAIRMAN'S BUSINESS

The Chairman asked if any Board member was interested in joining the Matrix Panel to let the Chief Executive know of their interest.

Action: Board members to indicate interest to CEO

The Chairman raised an issue alerted by Scott Rutherford regarding comments made by the Interim Executive Chair of Innovate UK. Innovate UK are inching closer to an arrangement whereby NI companies, that narrowly miss Innovate UK funding, could be funded by Invest NI. Tracy Meharg stated that Invest NI is actively working with Innovate UK on this but there are a number of issues to work through. Invest NI will have to determine if it is value for money. Tracy stated that the proposal is attractive in principle but there is more to be explored.

A.O.B.

The Chairman reminded Board members that board papers will now be issued via the online portal and that a further training session will be arranged for those who missed the first session.

The Chairman asked the Board to note the 2019 schedule of Board and Audit & Risk Committee meetings.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 28th November and will be held at Invest NI HQ. Prior to the Board meeting there will be an Audit & Risk Committee meeting commencing at 09.00am.

The Board Meeting ended at 4.30pm.

Arora Upritchard, October 2018

OFFICIAL – SENSITIVE – COMMERCIAL

**ONE HUNDRED AND SIXTIETH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 28 NOVEMBER 2018
INVEST NI HQ, BEDFORD STREET, BELFAST**

Present:

Invest NI Board

Mark Ennis (Chairman)

Brian Baird

Padraig Canavan

Deborah Lange

Ken Nelson

Dr 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 Carol Keery

Minute Taker: Arora Upritchard

6. APOLOGIES & DECLARATIONS OF INTEREST

The meeting commenced at 12.50pm

Apologies: Mark Nodder, Judith Totten, Tracy Meharg

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

7. ITEMS FOR DISCUSSION

7.1 INVEST NI'S PARTNERSHIP ENGAGEMENT APPROACH

Donal Durkan, Executive Director for Strategy presented an update on Invest NI's partnership engagement approach.

OFFICIAL – SENSITIVE – COMMERCIAL

Donal stated that one of the aims of Invest NI's Business Strategy was to work much more closely with partners regionally, nationally and globally to deliver elements of economic development. Donal highlighted some of the areas where Invest NI has been developing local partnerships and in particular referenced the excellent working relationship Invest NI and Enterprise Ireland have built.

Donal introduced Julie Sinnamon, Chief Executive and Terence O'Rourke, Chairman of Enterprise Ireland.

7.2 ENTERPRISE IRELAND

Julie Sinnamon, Chief Executive of Enterprise Ireland presented an update on the work of her organisation.

The presentation covered a broad range of areas notably performance results; strategic priorities for 2019; challenges and areas of collaborative working. Following the presentation there was a good discussion with the Board with members asking some pertinent follow up questions on the information shared.

Board members were particularly interested in the work of Enterprise Ireland around Brexit; competitive spend funds; female entrepreneurship; exports; Disruptive Technology Fund; regional action plans and scaling. Julie was very open and shared information on each of these areas.

The Chairman thanked Julie and Terence for attending the board meeting and for being so open in sharing of information. Julie and Terence left the meeting.

7.3 BUSINESS STRATEGY – SUB REGIONAL – BUSINESS SOLUTIONS

Des Gartland, Acting Executive Director for Regional Business provided an update on business solutions. William McCulla, Director of Property Solutions joined the presentation.

OFFICIAL – SENSITIVE – COMMERCIAL

Des stated that the focus of Strategic Initiative 22 is to ensure we have solutions to address specific sub regional needs in line with Community Plans. Des outlined examples of solutions that are being delivered sub regionally in response to actions emerging from the plans. Des also outlined other actions emerging that are beyond Invest NI's remit and will require Departmental input, as well as outlining the impact that 'City Deals' may have.

Gerard O'Hare wished to put on record, as Chair of the Sub Regional Working Group, his thanks to the Chief Executive and Invest NI staff for the early support which has resulted in a good conclusion for the sub regional agenda. Gerard also highlighted the increase in regional self-help responses to issues, similar to those highlighted by Enterprise Ireland.

The Chairman thanked Des for his presentation and wished to put on record that during regional stakeholder sessions he is receiving excellent feedback on the work and support of the regional offices from Council CEOs.

8. MONTHLY REPORTING TO BOARD

8.1 MINUTES

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

8.2 MATTERS ARISING

The Actions table was reviewed and addressed. The Chairman highlighted the action update on Benchmarking Invest NI's Performance.

8.3 CEO REPORT

The Chief Executive asked the Board to note the CEO report. The CEO wished to welcome Brian Dolaghan who will take up his role as Executive Director of Business & Sector Development in December to the Board.

OFFICIAL – SENSITIVE – COMMERCIAL

The CEO provided a progress update on some elements of the business strategy. The CEO stated that the recent relaunch of NI Connections had been well received. He stated however that the organisation is struggling to tap in to the local universities Alumni. The CEO has raised this with both of the Vice Chancellors of the universities. Gerard suggested that a route may be via university foundations.

The CEO then provided some feedback from the recent Oversight & Liaison meeting with the Department. He stated that there was a lengthy discussion on skills and reported that Jeremy Fitch will now lead on this collaborating with the two Vice Chancellors. Other areas that the CEO briefed the Board members on included casework handling issues, Brexit contingency planning, policy & implementation and Purdah rules issued from the Department.

Deborah Lange referred to the long list of key projects in the CEO report stating this was good to see. Deborah noted that there were a lot of training and upskilling elements to these projects and asked if this was a trend we were starting to see. The CEO commented that some of these projects were as a result of a backlog due to the Skills Growth Programme break and also that it reflects a change within companies to drive training and upskilling of their staff.

Rose Mary Stalker stated that the progress with Universities was good to see, and that we also need to look more broadly at skills availability and the utilisation of talent. Invest NI is uniquely placed and Rose Mary feels that the organisation has a responsibility to look at the data holistically across sectors to understand the issues faced by our employers and the areas of challenge and opportunity, such as the underemployment of graduates.

Ken Nelson left at 14.45pm

3.4 BREXIT UPDATE

Donal Durkan presented an update on Brexit preparations from last month's presentation focusing on the specialist advisory support and Brexit preparation grant that is available.

3.5 FINANCE REPORT

Mel Chittock asked the Board to note the Finance Report.

Mel wished to bring the Board up to date on the financial performance to the end of October, including changes submitted in the December Monitoring Round.

Year to date Programme Spend is £60M against a revised Programme budget of £133M. This equates to 45% of the total year budget and is at the same percentage level as last year against a Programme budget slightly higher at £141M.

At the half year we also undertake some re-profiling to account for changes in projects. Year to date we are c. £7.7M behind budget split £2.5M Resource and £5.2m Capital. The Resource underspend is due to a delay in forecast SFA grant claims on a small number of projects.

The Capital variance of £5.2M comprises of a combination of Access to Finance Funds of £2.2m and a delay in a large project that is likely to be delayed until next year, this is an FTC loan of £1.25M. The balance is a combination of smaller capital grant claims which in total amount to c. £1.5M

Mel provided a breakdown of the movements in Receipts and the changes in the December monitoring round.

The overall position therefore shows very little movement on our Programme spend lines, but a significant increase in Receipts and this will be reported as a reduced requirement. Overall the position is positive but there is still work to do.

3.6 ARC UPDATE

Deborah Lange, Chair of the Audit & Risk Committee (ARC) referred to October's minutes and focussed on providing an update on November's ARC meeting.

OFFICIAL – SENSITIVE – COMMERCIAL

Deborah stated that as ARC Chair she has received written assurance from the CEO that all programmes are being managed in line with approval requirements and that the MSFM between DfE and Invest NI has now been signed off. Deborah reported that Internal Audit have stated that still hope to complete the audit programme for this year.

Deborah confirmed that for this year's ARC self-assessment it is proposed to look at the ARC handbook, which has key questions to go through and to assess ourselves and look for areas of improvement/change.

With regard to the risk register and risk workshop, Deborah confirmed that she now has the action list and it is proposed to have this for discussion at the Board away day in February. Deborah also confirmed that she has received a paper on a revised approach to programme evaluation and has asked that this be presented to the full Board.

Action: Programme Evaluation paper to be placed on future agenda

Mel updated the Board members on a finance issue in relation to BSDL. The Department of Finance are currently seeking advice from the Treasury and Invest NI will be providing further information to the Department in hope of a satisfactory conclusion.

3.7 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson asked the Board to note the Communications report.

Peter stated that the CEO recently undertook an interview with Inside Business which aired on 4th November. Peter highlighted the Propel Pre-Accelerator campaign and highlighted that 179 applications had been submitted with only 20 places available.

Peter highlighted a recent visit by journalist Murdo Morrison from Flight Global Magazine who met with Invest NI's aerospace team and various aerospace clients – this was a very positive visit.

3.8 CASEWORK REPORT TO THE BOARD

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

9. CHAIRMAN'S BUSINESS

The Chairman raised the request from the Department for a Board member to take up membership of the Matrix Panel. Brian Baird provided some insight to the panel and current Board members (not those on extensions) are to consider if they could take up this role.

The Chairman wished to take the opportunity to thank Carol Keery, Board Secretariat who will be retiring in December, for her support and work with the Board over recent years.

A.O.B.

Mel provided an update to Board members on their move to Invest NI emails and stated that further instructions will issue in the coming weeks. Mel also wished to remind Board members to complete their GDPR online training.

Brian Dolaghan took the opportunity to inform Board members that Invest NI had won the Delivery Destination of the Year 2018 from the Global Sourcing Organisation.

10. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Wednesday 23rd January 2019 and will be held at Invest NI HQ.

The Board Meeting ended at 3.30pm.

Arora Upritchard, November 2018