

INVEST NORTHERN IRELAND BOARD MINUTES 2022

January 26, 2022

February 23, 2022

March 30, 2022

April 27, 2022

May 26, 2022

June 30, 2022

August 24, 2022

September 28, 2022

October 26, 2022

December 15, 2022

**ONE HUNDRED AND NINETY FIRST MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 26 JANUARY 2022
MEETING HELD VIA MS TEAMS**

Present:

Invest NI Board

Rose Mary Stalker (Chair)

Mark Nodder

Deborah Lange

Padraig Canavan

Kieran Kennedy

Colin Coffey

Kevin Kingston

Michael McQuillan

Marie-Therese McGivern

Dr Mark Sweeney

Judith Totten

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Denise Black, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Vicky Kell, Ian Maxwell

Minute Taker: Wendy Savage

1. APOLOGIES

None received.

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date. Board members Colin Coffey, Kieran Kennedy, and Michael McQuillan asked for additional items to be added to their registers of interest. These will be updated accordingly.

1.2 MINUTES

The minutes of the December Board meeting were agreed and will be published online.

1.3 MATTERS ARISING

The Actions table was reviewed. The following was noted:

Action 1 – In discussing the update papers provided by Jeremy Fitch, the Chair stated that there are still some unresolved issues and advised that she believes Invest NI has a role to play in helping bring Councils together to share best practice regarding land/property needs.

Action: Following discussions with Solace, Jeremy/Alan to provide update at March Board meeting on how Invest NI can play a convening role in helping Councils share best practice regarding land/property needs.

Action 4 – Mel Chittock advised that updated casework training material should be ready to roll out by February. Deborah Lange advised that she thought Board members should have specific casework training and suggested a half-day face-to-face session as soon as possible would be beneficial. Deborah, in conjunction with other Board members has drafted some content.

Action: Ian Maxwell, with help from Wendy to organise a date (no later than early March) for the training session.

2. ITEMS FOR DISCUSSION

2.1 CEO REPORT TO BOARD

The Chair welcomed Mel Chittock to his first Board meeting as Interim Chief Executive. Mel explained some changes to the format of the monthly CEO Report to Board and welcomed feedback from members. Mel went on to highlight that whilst employment figures are currently holding up, a squeeze on household budgets and the inflation rate of 5.1% will have an impact on the economy. Mel went on to say that as demand for Invest NI support remains high; this will create further pressures for the budget moving forward.

Mel concluded by stating that the current pause on issuing new offers has created challenges in meeting year-end targets and would also impact the financial outturn against budget. Steve Harper gave a brief update regarding the target on generating external sales.

Mark Sweeney asked for clarification on a date for lifting the pausing on issuing offers, which was previously stated as mid-January. Mel confirmed that this was correct when first stated although DfE are working to establish the impact of a reduced budget settlement, and an update on this may still be some weeks away. Mark Nodder commented that this situation must be making managing the FDI pipeline very difficult.

Other comments from Board members related to budget commitments compared to previous years and the need to perhaps pause casework panels until the budget settlement is confirmed.

The Chair stated that the Board have previously asked for recommendations on the prioritisation and management of budget, and is hoping to see this proposal later in the meeting. The Chair concluded by saying that the Board and ELT need to be cognisant of the priorities for Northern Ireland.

Mark Sweeney advised that he understands how difficult it is to make long-term prioritisation decisions based on our situation.

Mel Chittock concluded this item by stating that ELT are actively taking steps to bring forward recommendations for prioritisation.

The Chair thanked Mel for his update and recognised Mel for stepping up in his new role to take on these challenges.

Mel provided an update on the work of NI-CO. A new Interim Chair, Ken Nelson, has been appointed. Mel updated the Board on recent discussions with NI-CO and DfE on the future strategic options for NI-CO.

2.2 UPDATE ON WIP

Padraig Canavan stepped out of the Board meeting during this item, due to a conflict of interest regarding projects discussed.

Brian Dolaghan presented to Board on the live management of Work in Progress (WIP) and provided the Board with potential options for managing current projects in WIP.

Deborah Lange stated that we need to determine the decision making process to decide if projects are 10X aligned and what each project will deliver. Colin Coffey asked if DfE have provided any further thinking on 10X projects. Donal Durkan advised that this detail is being worked on in conjunction with colleagues in DfE.

Brian advised that further analysis is required to deal with overlaying budget spend on current WIP.

The Chair stated that it was critical that the organisation agree the budget prioritisation proposal including guidelines and mechanisms to prioritise future commitments and expenditure. Given the Departmental hold and the current budget outlook and uncertainties, Invest should not make any further casework decisions until the prioritisation criteria and budget affordability has been established. As a result, casework panels need to be put on hold until an affordable baseline plan and agreed prioritisation mechanism is established.

In recognition of the urgency of this matter, the Board agreed to re-convene as soon as the further analysis had been completed and a proposal was ready to be presented.

Several Board members raised queries with regard to bringing forward recommendations and how any messages would be communicated more widely, recognising that this needs to be carefully managed.

The Chair stated that the Board wants to see recommendations from ELT on how they propose to manage WIP moving forward, given current constraints. Board would also like to see the impact of any decisions taken and the wrap-around communications.

Action: ELT to provide recommendations and guidance on managing WIP at a meeting to be organised within the next week.

The Chair concluded by stating that the Board appreciates that this will be challenging and is aware that there may have to be different levels of recommendations based on project size, location etc.

Padraig Canavan re-joined the meeting

2.3 STRATEGIC OPPORTUNITIES UPDATE

The Chair provided an update and context on the strategic opportunities previously discussed by Board in October 2021.

Donal Durkan then presented an update on the ambition statements, relating to the strategic opportunities and the proposed role of Invest NI in moving these forward in conjunction with DfE.

There was consensus from the Board and broad endorsement of the strategic opportunities and ambition statements presented and agreement that they are strongly aligned to 10X ambitions. The Board also asked for further detail on how these opportunities would be realised and measured and the Chair stated that we now need to work with DfE to turn these ambitions into sellable opportunities. The Chair stated that as a first next step, she would like to share the documents discussed today with DfE and asked for support from Board colleagues to do this. The Chair also stated that in conjunction with ongoing work, the composition of the Board Working Groups would need to be revisited to ensure collaboration with DfE and external stakeholders.

2.5 FINANCE REPORT TO BOARD

Alan Harris joined the meeting and provided an update to supplement the Finance Report to Board, which is summarised below:

- The January Monitoring Round is now complete.
- Surrender made in relation to the Productive Investment Capital Grant Scheme (PICG), largely due to delays in scheme approvals and difficulties faced by companies in terms of timely global procurement of capital assets.
- The continued uncertainty on the outcome of any future year budget bids nor any conclusion in respect of replacement of ERDF Funds along with current WIP conversion hiatus continues to make forward planning extremely difficult.
- It was noted that Invest NI has paused issuing letters of offer, on the advice of DfE, which will increase commitments against next year's budget. This pause is to give the Department time to assess the impact of draft budget figures for 2022-25 on the Department and its Arm's Length Bodies. This pause of business activity will likely have an impact on targets, 2021/22 budget spend, and company engagement, depending on how long the pause lasts.
- Annual Accounts 2020 – 2021 – The team has continued to follow up with NIAO on the expected timelines for the completion of the audit. This is now likely to fall into February 2022.

2.6 ARC FEEDBACK

The ARC Chair referred to the minutes of the 24th November 2021 ARC meeting which were included in the Board Pack.

The ARC Chair then provided a verbal update on ARC activity since the November ARC meeting which is summarised below:

- The ARC Chair and other members of ARC held various meetings with Mel Chittock, Colin Morelli and other members of the Invest NI team regarding:
 - The status of the NIAO audit of the 2020/21 accounts which are still not complete
 - The GOCC work programme
 - Staffing of GOCC and ARC secretariat
 - Preparing for the upcoming ARC meetings on 9th February
 - Placeholder meeting on 23rd February in case the NIAO audit is complete
- The ARC Chair and Kevin Kingston have been reviewing portions of the Governance Statement relating to Glenmore and Covid Schemes
- In December 2021, ARC raised concerns with the new Accounting Officer regarding ongoing issues

The Chair thanked the ARC Members and Chair for their ongoing commitment and efforts.

2.7 ORGANISATION TRANSFORMATION

The Chief Transformation Officer, Alan McKeown, presented his vision to Board on opportunity and approach, actions taken to date and the immediate priorities to bring about change. Alan commented on the positive engagement during today's meeting and is keen to continue to improve engagement between ELT and Board members.

Board Members commended Alan on the team's progress but asked for more clarity on dates and deadlines as we progress.

3. MONTHLY REPORTING TO BOARD BY EXCEPTION

3.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

Peter Harbinson provided a further short update and advised the stakeholder plan was now ready to be shared with Board. The Chair advised that Non-Executives were also keen to pro-actively engage.

Action: Stakeholder outreach plan to be shared with Board for discussion and agreement.

Peter also advised his team would be under some pressure as they are currently engaged in organising an Investment Conference taking place in Belfast in early March.

3.2 BUSINESS PLAN – ACTIONS TRACKER

Paper was noted.

3.3 CASEWORK REPORT & PROJECT PIPELINE

Papers were noted.

4. ANY OTHER BUSINESS

4.1 CHAIR'S BUSINESS

Nothing raised under Chair's Business.

4.2 ANY OTHER BUSINESS

Nothing raised under AOB.

The Board Meeting ended at 4.30pm.

5. NON-EXECUTIVE DIRECTOR SESSION

The Non-Executive Director session commenced at 4.30pm and was led by the Chair.

Mel Chittock, Alan McKeown and Denise Black joined the meeting for the first item of discussion and left the meeting at 5.00pm.

6. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Wednesday 23rd February 2022.

The NED Session ended at 5.40pm.

Wendy Savage, January 2022

Chair

**ONE HUNDRED AND NINETY SECOND MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 23 FEBRUARY 2022
MEETING HELD AT INVEST NI HQ & VIA MS TEAMS**

Present:

Invest NI Board

Rose Mary Stalker (Chair)	Mark Nodder
Deborah Lange	Padraig Canavan
Kieran Kennedy	Judith Totten
Kevin Kingston	Michael McQuillan
Marie-Therese McGivern	

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Denise Black, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Ian Maxwell

Minute Taker: Wendy Savage

The meeting commenced at 11:30am. Rose Mary Stalker, Deborah Lange, Kevin Kingston, Judith Totten, Padraig Canavan, Michael McQuillan, Mark Nodder, Marie-Therese McGivern, Alan McKeown, Denise Black, Donal Durkan, Jeremy Fitch, Peter Harbinson and Steve Harper met at Invest NI HQ, with the remainder of the participants joining via Teams.

1. APOLOGIES

Apologies received from Dr Mark Sweeney and Colin Coffey

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date.

1.2 MINUTES

The minutes of the January Board meeting were agreed and will be published online.

1.3 MATTERS ARISING

The Actions table was reviewed. The following was noted:

Action 1 – Proposals on ‘Voice of the Customer’ to be taken forward as part of the work under Evolve.

Action 5 – Jeremy Fitch and Alan McKeown to meet with Solace on 4th March. Jeremy also stated that Councils will be contacted for their views once the review of Invest NI’s property strategy commences. The Chair stated we should be clear in our messaging that we want to help facilitate the sharing of best practice and suggested that Board members should also be consulted during the review.

Action: Meeting with Solace taking place on 4th March and engagement with Councils will continue. Jeremy to contact Board members with regard to review of property strategy.

2. ITEMS FOR DISCUSSION

2.1 CEO REPORT TO BOARD

The Interim CEO highlighted that the economy is continuing to respond post-Covid, with some positive signs. Mel also referenced the challenges with exports and the need to keep this under review.

Mel went on to give a brief update on the Dubai Expo event, which he attended with Minister Lyons and Steve Harper. The feedback from companies who attended has been positive and Mel thanked the team on the ground in Dubai for their support during the event.

Mel concluded by giving a brief organisation update and stated that moving forward, further re-prioritisation of roles and responsibilities will be required to progress the Evolve project, given the pace of change and on some elements of the project and the complexities within the organisation. Mel also confirmed that additional resources would be put in place to support ARC and the staffing of GOCC would be actioned in the next few days.

The Chair stated that it acceptable to need to re-prioritise roles and responsibilities and the Board looks forward to hearing more on the ongoing Evolve work streams and milestones.

The Chair asked that Denise Black and the Human Resources Team think about the skills requirement, both new skills and re-skilling needed by Invest NI.

Donal Durkan updated the Board on ongoing discussions with DfE in relation to the responsibilities for several City & Growth Deal projects.

Action: Alan McKeown to provide more detail on Evolve project (including milestones) at the March Board meeting.

2.2 FINANCE REPORT TO BOARD

Alan Harris joined the meeting and provided an update to supplement the Finance Report to Board, which is summarised below:

- The continued uncertainty on the outcome of any future year budget bids nor any conclusion in respect of replacement of ERDF Funds continues to make forward planning extremely difficult.

- The pause on issuing letters of offer that have future year commitments has continued into February. Invest NI are continuing to meet with DfE officials to ascertain the appropriate path forward.
- Annual Accounts 2020 – 2021 – The team are in the closing stages of finalising the Annual Report and Accounts for 2020-21. Final versions of the C&AG's report have now been received, considered by ARC and will be discussed later in the meeting.

Michael McQuillan asked if there was any further detail available on other future potential sources of funding. Alan advised that there are currently discussions ongoing regarding other potential funding streams.

Both the Chair and Deborah Lange suggested that we should be exhausting all avenues of sourcing including capital funding, even on a temporary basis.

2.3 ARC FEEDBACK

The ARC Chair provided a verbal update on activity from the ARC meeting on 9th February. Minutes will be available for the March Board meeting.

The highlights are summarised below:

- Update provided on the review and approval of the 2022-23 Internal Audit Plan;
- ARC members had a presentation on the risk area of Technology & Cyber Security;
- Update provided on External Audit progress and plans for next year's audit;
- Update on the risk register development exercise was provided;
- ARC rolling agenda and Terms of Reference were updated;
- ARC Self-Assessment Report drafted and to be discussed with all Members.

The ARC Chair went on to provide a verbal update from the ARC meeting held on the morning of 23rd February. The main agenda item for this meeting was the 2020-21 Accounts.

Whilst there remains a difference of opinion between NIAO and INI around the accounting treatment related to Covid schemes, Invest NI is in step with DfE.

There is an Adverse True and Fair and Regularity Opinion relating to the Covid Schemes administered by the Department, and an Adverse Regularity Opinion related to self-declarations related to Covid schemes administered by Invest NI. In addition there is an Adverse Regularity Opinion related to Glenmore.

The C&AG has also included an Emphasis of Matter paragraph regarding the valuation of buildings, land, investment in associates, financial assets and grant provisions – this is not a qualification but is pointing out the uncertainties in valuations in light of the economic environment surrounding Covid.

There are no Recommendations in the Report to Those Charged with Governance. The 2020/21 year would have been a clean audit opinion except for the Covid schemes and the Glenmore loan. The Chair gave her congratulations and asked that her thanks be relayed to the whole Invest NI team involved in preparing the 2020/21 Accounts.

ARC has performed a detailed review of the accounts, especially the governance statement, and the C&AG Report and is content to recommend the 2020/21 Accounts to the Board for approval.

All Board members in attendance approved the Accounts with one exception, who requested more time to review and whose approval was confirmed later the same day.

There is a view is that NIAO will complete their Q&A and the Accounts will be laid around 7th March, but there is flexibility in that date.

The ARC Chair gave a further brief update on other items discussed, including the NIAO plan for 2021-22 and the resourcing of ARC and GOCC moving forward. The ARC Chair also confirmed that Kevin Kingston asked NIAO about post-payment checks related to Covid schemes and that NIAO has acknowledged that this is DfE responsibility, not Invest NI's.

The ARC Chair concluded her update by advising that Kevin Kingston will take over as Chair of ARC on 1st April and that she would remain on ARC until new Board members have been appointed. Deborah thanked the entire Invest NI team and current and past ARC members for their help and support during her time as Chair of ARC.

The Chair thanked the ARC Members and in particular the Chair of ARC for the tremendous dedication, support and contribution made to Invest NI.

2.4 EVOLVE UPDATE

The Chief Transformation Officer updated Board on the work of the Evolve programme. The Board noted the new branding, programme name and strapline. The Board were updated on the progress of resourcing the work streams and asked that the Chief Transformation Officer, CEO and Executive Director, HR, worked closely to ensure the work streams were adequately resourced with the required skills to move forward as outlined. The Board also acknowledged the fluid nature of the environment and the multiple calls on staff time and shared their desire for holistic and impactful change noting this may require additional time to deliver.

The Board noted the progress on the strategic discussion on skills deployment and partnership with DfE and agreed that it would be a useful exercise to have a skills matrix for the organisation in preparation for any new work streams Invest NI may be asked to lead. The Chair made clear that the intention of the Board is to ensure Invest NI support DfE on emergent priority policy and programme activities with both resources and appropriate skills being made available. It was acknowledged that discussions on City & Growth Deals project management is ongoing with DfE. The Board acknowledged that with limited resources, prioritisation and de-prioritisation would be required as part of that exercise. A fuller update

on the priorities and difference Evolve would be making will be scheduled for the March Board meeting.

2.5 BOARD WORKING GROUP UPDATE – COMPETENCE CENTRES

In the absence of Dr Mark Sweeney, Mark Nodder provided a brief update on Competence Centres and the discussions taking place at the Board Working Group with regard to aligning Competence Centres to 10X, the renewal of the Independent Expert contract and funding streams for the future.

Board members advised that the Centres are long-term investments and that a short-term view on budgets can be detrimental to the Centres.

The Chair asked who was taking forward work on looking at alternate funding mechanisms. Jeremy advised that the team looking after Competence Centres are actively looking at this. The Chair stated that this work should be taken forward and built into any forward view. Donal Durkan advised that this would be looked at under cluster development in line with DfE work streams.

Mark Nodder stated that mapping of the ecosystem is key to moving forward and building on expertise and that we need to re-purpose our people away from delivery of less effective programmes. Mark advised the Board that the 140 interventions available in Northern Ireland for Manufacturing SMEs are delivered by 40 different organisations. The whole of Northern Ireland has roughly the same population as Leeds which has one strategy for Manufacturing. He stated that there is an urgent need to rationalise, repurpose and eliminate waste involved in delivery.

Michael McQuillan also stated that any mapping exercise needs to include a view outside of Invest NI. Michael urged the development of a “shop window” route to the services and funding that company’s need and the need to put businesses at the centre and build

services around them. We need to look through an NI lens and target our internal resources towards “NI Inc.” and not towards Invest NI.

2.6 THEMATIC EVALUATION FINDINGS

Donal Durkan introduced this agenda item and the following joined the meeting via Teams to participate – Clare Mullan, Aaron Wilkinson, Tim Woolsey, Anne Beggs, Paul Taylor, Sam Kinghan, Vicky Kell, Mark Carruthers and Stephen Wightman.

Trade and Investment

Anne Beggs presented to Board on the findings from both the Trade and Investment evaluations. Following headline figures, Anne described the strategic issues coming forward, how these had been considered by the team and the proposed responses.

The Chair thanked Anne for her presentation and advised that the analysis and impact were outstanding.

Kevin Kingston asked if there would be opportunities for recycling of support and Anne advised that this would certainly be worth considering.

Marie-Therese McGivern congratulated all of the presenting teams on the papers provided and stated that it is good to see skills being clearly linked to productivity and innovation.

Steve Harper concluded this item by stating that he is impressed to see the direction of travel from his team and that SQW’s report had only endorsed what the team are already proposing.

The Chair requested that the report be given to Sir Michael Lyons.

Grant for R&D

Paul Taylor presented to Board on the findings from the Grant for R&D evaluation. Following headline figures, Paul described ways of maximising economic impact and laid out the recommendations stemming from the evaluation and how these would be taken forward as actions.

Mel Chittock commented that he felt some of the actions stemming from the recommendations were quite generic and would benefit from some further detail and timing.

A discussion followed on how the programme is benchmarked and measured. Sam Kinghan stated that Grant for R&D is about more than just doing R&D, it should also be about how the R&D is commercialised. Clare Mullan stated that the report had been prudent on returns and that the Grant for R&D programme is cited as a leader on post project evaluation data and analysis.

Vicky Kell stated that conservative figures had been cited in the report and that there is a team in DfE working on Innovation metrics for 10X.

The Chair stated that it will be important to be involved in agreeing this system of measurement. The Chair went on to say that innovation is a critical area for Northern Ireland and she would like to understand what “best in class” looks like in the context of 10X, budget issues and the work being completed under Evolve and would encourage the team to come back to Board to present in this context.

Mel Chittock further stated that the team has all of the data to hand; but that he would like to see a further finessing of outcomes and the team’s opinion on what the programme should be in the future.

Brian Dolaghan commended the work done to date on this programme and stated that there has been a massive change in attitude in businesses on what innovation and R&D can achieve for them and this is thanks to the hard work of the team to date.

Kieran Kennedy thanked the team for their presentation and advised he could see the links with previous discussions at Board about the need for companies to collaborate more and encouraging SME's to be innovative. Kieran suggested that the team might want to think about re-branding Grant for R&D in a more innovative way.

Deborah Lange stated that potentially we could seek to get something back from companies indirectly to benefit the economy.

Padraig Canavan stated that he thought all of the background papers provided were excellent. He advised that the Grant for R&D report covered product development and process development well; but that business model innovation had not been covered. Padraig further stated that he would welcome separation of SME's and that only one of the reports circulated had mentioned sub-regional information as Belfast is seen as being treated differently in the business community.

Michael McQuillan commented that the action plans circulated were all directionally positive; but that we also need to look outside of Invest NI, to be in some cases a facilitator rather than the delivery agent.

Anne Beggs stated that her team is working with DIT to map the ecosystem and Vicky Kell stated that her team has created a map of potential external funding streams.

Action: Vicky Kell to confirm a date with the Board Secretariat on when the team will come back to present to the Board.

Selective Financial Assistance (SFA)

Stephen Wightman introduced this presentation by stating that the review of SFA had been positive and that we should remember that SFA is an economic power rather than a programme. Mark Carruthers then briefly presented to Board on the findings from the SFA evaluation. Following key input and output figures, Mark described what SFA could look like in the future taking account of 10X, future priorities and purpose and adding value.

The Chair thanked Mark for his presentation and agreed that SFA is an important core economic power which can be flexed to need, and like with the previous presentation she would like the team to come back to the Board with a proposal on what SFA can do to support the NI economy, in a 10X and constrained budget context.

Action: Stephen Wightman to confirm a date with the Board Secretariat on when the team will come back to present to the Board.

Mel Chittock stated that the presentations had been good and that we have a lot of data and information to hand; but should now think about how we translate that to manage all of the schemes moving forward. Mel further advised that as an economic development agency, he would be keen to have our economists drive the thinking moving forward. We need to have consistency of policy in driving forward delivery of programmes.

Mark Nodder commented that he would encourage the teams to take the thinking forward into the potential pivot to becoming something that motivates and aligns to 10X.

Padraig Canavan commented that what was missing in the reports was a competitive assessment against other regions.

Further comments from Board members included the need to insist on receiving quality data in to get quality data out.

Mel Chittock stated that if we are to consider using SFA to drive productivity, we will need to think about how this is measured moving forward in the context of reporting, it should not just be about jobs created.

Action: Donal Durkan to explore how productivity can be measured and how this will change the look and feel of our next Business Plan

The Chair concluded this agenda item by thanking the presenting teams for their detailed analyses and presentations and for the huge amount of work of the organisation to deliver these programme outcomes.

Clare Mullan, Aaron Wilkinson, Tim Woolsey, Anne Beggs, Paul Taylor, Sam Kinghan, Vicky Kell, Mark Carruthers and Stephen Wightman left the meeting following this item.

2.7 COMMUNICATIONS PLAN

Peter Harbinson provided a verbal update on recent media coverage and initial plans to engage with stakeholder groups to share the impact of our proposed change in strategic focus.

2.8 BUDGET AFFORDABILITY & WIP PRIORITISATION GUIDELINES

Clare Mullan, Aaron Wilkinson, Tim Woolsey all re-joined the meeting for this item.

As Padraig Canavan had a conflict of interest regarding projects discussed in this item he gave the following comments before leaving the meeting – Padraig stated that he is very much in favour of 10X and the clusters approach; but there should be a focus on start-up Innovation Driven Enterprises (IDE) as they help to generate exports and expand job growth.

Both Brian Dolaghan and Alan McKeown advised that work is being done to help drive IDE's forward.

Brian Dolaghan and Clare Mullan presented to Board on the live management of Work in Progress (WIP) and provided the Board with qualification of potential changes to projects, budget availability and the challenges this would bring. Brian also advised Board members that these scenarios had been shared with colleagues in DfE.

The Board discussed the proposal at length especially with regard to preventing sub-regional skew.

Mel Chittock advised that he is content that what is being proposed is the right direction of travel; but that we would need to have policy alignment cover from DfE and also a confirmed budget allocation to allow us to proceed.

The Chair commended the team on the outstanding work completed to date to enable projects to be assessed and advised that the Board did not want to delay work; but asked that they be kept in the loop as discussions with DfE continue.

Clare Mullan, Aaron Wilkinson and Tim Woolsey left the meeting following this item.

3. MONTHLY REPORTING TO BOARD BY EXCEPTION

3.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

3.2 CASEWORK REPORT

Paper was noted.

4. ANY OTHER BUSINESS

4.1 CHAIR'S BUSINESS

The Chair advised that the competition for new Board members is ongoing with interviews due to take place in early March.

4.2 ANY OTHER BUSINESS

Nothing raised under AOB.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Wednesday 30th March 2022.

The Board Meeting ended at 5.15pm.

Wendy Savage, February 2022

Chair

**ONE HUNDRED AND NINETY THIRD MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 30 MARCH 2022
MEETING HELD AT INVEST NI HQ & VIA MS TEAMS**

Present:

Invest NI Board

Rose Mary Stalker (Chair)	Mark Nodder
Deborah Lange	Padraig Canavan
Kieran Kennedy	Dr Mark Sweeney
Kevin Kingston	Michael McQuillan
Marie-Therese McGivern	Colin Coffey

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Denise Black, Donal Durkan, Peter Harbinson, Steve Harper, Ian Maxwell

Minute Taker: Wendy Savage

The meeting commenced at 11:00am. Rose Mary Stalker, Deborah Lange, Kevin Kingston, Dr Mark Sweeney, Colin Coffey, Padraig Canavan, Michael McQuillan, Mark Nodder, Marie-Therese McGivern, Alan McKeown, Denise Black, Donal Durkan, Peter Harbinson and Steve Harper, Brian Dolaghan and Peter Harbinson met at Invest NI HQ, with Mel Chittock joining via Teams.

1. APOLOGIES

Apologies received from Judith Totten and Jeremy Fitch

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date. Kevin Kingston advised that he has been appointed as a Non-Executive Director to the Board of Norbrook and has updated his register of interests accordingly.

1.2 MINUTES

The minutes of the February Board meeting were agreed and will be published online.

1.3 MATTERS ARISING

The Chair acknowledged and commended the Executive team for the amount of work completed since the last meeting; but reminded the Executive team that in order to make best use of the Board meetings, in future, the papers for the Board pack should be filed with sufficient time for reading ahead of the meeting.

The Actions table was reviewed. The following was noted:

Action 1 – Alan McKeown gave a brief update and confirmed Invest NI’s commitment to further strengthen our relationship with all of the Councils.

Actions 4 & 5 – Donal Durkan confirmed these would be brought back to the Board in September 2022.

2. ITEMS FOR DISCUSSION

2.1 CEO REPORT TO BOARD

The Interim CEO commenced his update by commending the huge amount of work undertaken to bring papers to Board; but acknowledged the need for sufficient reading time for members.

Mel updated the Board on his attendance at the Economy Committee session held on 2nd March and thanked the team who had supported him. Mel stated that the feedback following the meeting has been largely positive and advised he would share some of the press coverage with Board members. Mel also referenced the recent NI Showcase event and the positive feedback received from the event.

Mel then confirmed that the sign-off of the Accounts has now taken place. Mel then gave a brief update on some internal staff moves. Mel then advised Board members that there have been some challenges on a very small number of projects with regard to commercial considerations; but assured Board members that these are currently being dealt with and any lessons learned would be taken forward. Mel also briefly updated Board members on ELT's meeting with the Independent Review team.

Mel concluded by discussing the impact of the war in Ukraine on the Northern Ireland economy and by referencing his CEO Report to the Board. Mel reminded Board members that we have now entered the pre-election period in the run up to the Assembly elections.

Both the Chair and Mark Nodder passed their congratulations to Peter Harbinson and his team for their hard work in making the NI Showcase event a great success.

Mel Chittock stated he had received many positive messages of support after both the Economy Committee and the NI Showcase event and he is keen to continue with forward facing Comms messaging.

The Chair agreed that this would be a good time to review our forward Comms Plan.

Action: Peter to provide an update on the forward Comms Plan at the April Board meeting.

Kevin Kingston asked if we are comfortable that we have the requisite skills sets with regard to responsibilities for City & Growth Deals referenced in last month's meeting. The Chair further stated that it is important that the roles and responsibilities are clearly understood. Donal Durkan provided an overview of the responsibilities Invest NI will be taking forward, given that we would be taking on the Innovation Sponsorship role from DfE. Donal added that it was because of the experience and skillset of the team in Invest NI that DfE had asked us to take on these additional responsibilities. Donal advised that a Memorandum of Understanding (MoU) is currently being drafted in collaboration with DfE and would be shared with Board.

Action: Donal to provide a copy of the draft MoU to Board Members.

Several Board members stated that it is important that the Board is regularly updated on the work of the Governance Council with regards to lessons learned and asked if new documents and procedures are embedded within the organization. The Board also asked that new governance documents be shared with Internal Audit for the upcoming monitoring report and that Mel provides a Lessons Learned Report regarding Crescent.

Action: Mel to provide new governance documents to Internal Audit Service and provide a Lessons Learned Report regarding Crescent to Board.

2.2 WIP PRIORITISATION

Mel Chittock introduced this item by stating that an enormous amount of work has been undertaken to date; but that the team now need to move quickly. He also stated that the Board also needs time to properly review and challenge the proposal. Mel also advised the Board that DfE does not want to use the 10X filters until fully agreed.

Brian Dolaghan presented to Board on the live management of Work in Progress (WIP) and provided the Board with qualification of potential changes to projects and the challenges this would bring.

The Board discussed the proposal at length and acknowledged that communication of any change would be key. The Chair acknowledged the amount of work and thanked Brian and the team for the progress made to date. In summarising the Board discussion, they have requested clear succinct proposals outlining the context, key assumptions/decisions on the project prioritisation approach including recommendations and consequences for both existing WIP and how new projects will be handled. Board members also suggested that we should consider implementation of a series of pilot phases.

It was agreed that Invest NI must be careful to use “Supportable” rather than “Approved” until funding is confirmed.

The Board also requested that a Regional dimension be included for SFA projects to avoid Belfast salaries from skewing the ranking.

The Chair stated that recommendations should be completed, and draft communications to DfE/Minister be drafted and sent to Board members as soon as possible, ideally, in the next two weeks.

Action: ELT to issue recommendations to Board members for consideration in advance of April’s Board meeting. Proposals to be discussed at April Board meeting.

2.3 STRATEGIC DIRECTION – OBJECTIVE SETTING 2022/23

Vicky Kell and Rachel Sankannawar joined the meeting for this item.

Donal Durkan provided the Board with an overview of the proposed High Level Objectives for 2022/23 and referenced the need for flexibility and agility, given the ongoing work on 10X Work streams and the Independent Review of Invest NI, chaired by Sir Michael Lyons. Steve Harper, Brian Dolaghan, Vicky Kell and Rachel Sankannawar then presented proposed objectives for 2022/23.

There was a lengthy, robust and challenging discussion on the objectives presented. The overall consensus from Board members was the need for further narrative on the rationale for the proposed targets, comparative data where applicable and a clear indication of how we are doing more with less.

Action: ELT to issue updated info to Board members for consideration in advance of April's Board meeting. Objectives to be discussed at April Board meeting.

Rachel Sankannawar left the meeting.

2.4 EVOLVE UPDATE

Tanya Otterson, Paul Gunn, James McEvoy, Mary Gormley and Paddy Robb joined the meeting for this item.

The Chief Transformation Officer, Alan McKeown gave a brief introduction on the positive work undertaken to date, before handing over to his co-presenters.

Denise Black then presented the organisation's refreshed behaviours and values to the Board. There was wide consensus that the tone and visuals were strong and that a refresh is needed.

Some Board members provided feedback on their industry experience regarding impactful values, feedback focussed on brevity and ownership and noted the role that values and behaviours played in building a strong, cohesive and co-owned organisational culture. Board members noted the presentation and asked that following the staff consultation, the Executive Director, People and Culture should update the Board on finalised documents.

Vicky Kell, Tanya Otterson and Paul Gunn updated Board members on progress to date under the work streams looking at Competitions, Digitisation and Rapid Scheme Development and Deployment. The Board provided positive feedback noting the Digital by Design processes and commended the presenters for ensuring strong governance was to be at the heart of the future developments. The Board asked that in relation to competitions further updates were brought back before final decisions were made to ensure the market consequences and governance implications relating to the adoption of a competition model were discussed with the Board.

The Board also asked for regular progress updates on the preparation for a strategic approach to the availability of short term resource. The Board also want to hear about the governance implications, and in particular to ensure lessons from the past two years in a similar operating environment have been taken on board, notably, ensuring all areas of the NI Economy could effectively access support through Invest NI's competitive or prioritised processes.

Vicky, Kell, Tanya Otterson, Paul Gunn, James McEvoy, Mary Gormley and Paddy Robb left the meeting.

2.5 FINANCE REPORT TO BOARD

Alan Harris joined the meeting and provided an update to supplement the Finance Report to Board, which is summarised below:

- All teams are working hard to bring in claims; which should help reduce the anticipated underspend on baseline resource budget. The Finance team remain confident that we will end up close to our 1% under spend tolerance level.

- Claims for PICG are still coming in, and again will mitigate against underspend previously flagged.

The Chair thanked Alan and the wider team for their efforts in helping to manage the budget, provisionally to within target levels.

2.6 ARC FEEDBACK

The ARC Chair provided a verbal update on activity and advised that minutes from meetings held on 9th and 23rd February are included in the Board papers.

The main points are summarised below:

The 2020/21 Accounts were laid on 9th March 2022.

Self-Assessment Exercise

- 22nd March – ARC Members met to discuss self-assessment exercise
- Discussion facilitated by Colin Morelli, who will draft the action plan
- Assessment was general positive with some suggestions for improvements

ARC met on 23rd March to review and approve the External Audit Strategy.

ARC raised a number of queries about the focus for NIAO, including the following:

- Covid schemes – no reason to revisit the accounting treatment discussion but the accounts are likely to be qualified to some degree due to payments continuing in 2021-22;
- Glenmore – the formal write-off took place during 2021-22;
- Potential risk of management override of controls, which may be perceived to be higher due to budget pressures; and
- Materiality threshold reduced from 2% to 1.5% as NIAO views the INI risk to have increased and INI to be of “increased interest”.

ARC approved the External Audit Strategy.

Internal Audit

- 29th March – ARC Members met with IAS (Michael Woods and Jenny Murray) to discuss Terms of Reference for the review of:
 - Risk Register Development
 - Monitoring regarding Conditions and LoO
 - Access to Finance

2.7 BOARD WORKING GROUP UPDATE – ACCESS TO FINANCE

Colin Coffey gave an update to Board members on the ongoing work of the Access to Finance Board working group.

Colin gave a brief update on the membership of the group, including the fact that Ellvena Graham has joined the group and also that Colin himself will assume the role of Chair for the Group and also updated the group on progress of Rob Hunter's work.

The Chair thanked Judith Totten (in absentia) for her commitment and dedication in chairing the Access to Finance group over the last number of years and wished Colin well as he takes over as Chair.

3. MONTHLY REPORTING TO BOARD BY EXCEPTION

3.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

3.2 ARC MINUTES – 9TH FEB & 23RD FEB

Minutes were noted.

4. ANY OTHER BUSINESS

4.1 CHAIR'S BUSINESS

The Chair advised that the competition for new Board members is now underway and is due to be completed in early April.

The Chair advised she felt it would be a good time to start a Board effectiveness review and asked Denise Black to initiate the process.

Action: Denise to meet initially with the Chair, Deborah Lange and Kevin Kingston to start the process off.

The Chair asked for an update on plans to get people back into the building. Denise Black provided a brief update.

4.2 ANY OTHER BUSINESS

Deborah Lange advised that following their meeting with the Independent Review team, the team has further specific questions and these will potentially come to the Chair initially. Once received, the questions will be sent to Board members for further comment.

Colin Coffey asked how we intend to communicate our change programme with regard to any staff re-deployment and any impacts to those outside of Invest NI. Mel advised that this would be taken forward as part of the Evolve programme and the Board would be regularly updated.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Wednesday 27th April 2022.

The Board Meeting ended at 4.45pm.

Wendy Savage, March 2022

Chair

**ONE HUNDRED AND NINETY FOURTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 27 APRIL 2022
MEETING HELD AT INVEST NI HQ & VIA MS TEAMS**

Present:

Invest NI Board

Rose Mary Stalker (Chair)	Judith Totten
Deborah Lange	Padraig Canavan
Kieran Kennedy	Dr Mark Sweeney
Kevin Kingston	Michael McQuillan
Marie-Therese McGivern	Colin Coffey

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Denise Black, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Ian Maxwell

Minute Taker: Wendy Savage

The meeting commenced at 12.30pm. Rose Mary Stalker, Deborah Lange, Kevin Kingston, Colin Coffey, Michael McQuillan, Marie-Therese McGivern, Judith Totten, Kieran Kennedy, Mel Chittock, Alan McKeown, Denise Black, Donal Durkan, Steve Harper, Brian Dolaghan, Jeremy Fitch and Peter Harbinson met at Invest NI HQ, with Dr Mark Sweeney and Padraig Canavan joining via Teams.

1. APOLOGIES

Apology received from Mark Nodder.

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date.

1.2 MINUTES

The minutes of the March Board meeting were agreed and will be published online.

1.3 MATTERS ARISING

The Actions table was reviewed. The following was noted:

Action 5 – City & Growth Deals – Draft Memorandum of Understanding (MoU) to be discussed later during the Board meeting.

Action 9 – Board Effectiveness Review – The Chair advised that DfE has commissioned an effectiveness review to be completed by DoF. The Chair asked that Denise Black speak to DfE regarding the draft ToR for the review.

2. ITEMS FOR DISCUSSION

2.1 CEO REPORT TO BOARD & PROVISIONAL YEAR END RESULTS

The CEO commenced his update by discussing the impact of the war in Ukraine on the Northern Ireland economy, the slow-down in consumer spending and potential supply chain issues; but reassured the Board that the team is monitoring the situation closely. Mel concluded his update by mentioning the increase in cyber-attacks and what Invest NI is doing to make us as secure as possible.

The Chair asked if it would be appropriate for the Board to receive more formal updates on these topics. Mel agreed to take this away and look at the best way to keep the Board informed.

Action: Peter Harbinson to check the information available and look at the best way to issue information/updates to Board.

Mel then presented the provisional year end results and thanked the wider Invest NI team for all of the work undertaken. Mel made reference to the number of offers issued to companies outside of Belfast and the potential outturns against skills targets. The Chair asked if we have comparative data for previous years regarding offers issued and if this could be broken down by Council area. The Chair also asked that the Board be provided with more detailed information on the provisional Skills outturn.

Action: The Board would like to be provided with comparative data on offers issued from previous years and also split by Council area.

Action: ELT to analyse the data available on Skills and produce an update paper for Board members.

The Chair stated that this has been a challenging year and the organisation has done exceptionally well to deliver on targets set against the additional work delivering the emergency Covid schemes and impact from the pause on issuing Letters of Offer.

Several Board members stated their agreement that we should celebrate and claim our successes. Kevin Kingston suggested celebrating with a “wall of pride”. Mel Chittock agreed that success should be celebrated and internal messaging should also reflect this.

2.2 FINANCE REPORT TO BOARD

Brian Dolaghan provided a brief update to supplement the Finance Report to Board, which is summarised below:

- Provisionally, the Finance team has confirmed that we should be within our 1% under spend tolerance on our Resource budget; but will be outside of the tolerance level on our Capital budget. The 1% tolerance on the Capital budget equates to a very small value given that the net Capital budget is low once receipts are included.

The Chair thanked Brian and the wider Invest NI team for their efforts in helping to deliver the budget in a very challenging environment. Jeremy Fitch stated that he wished to also acknowledge the huge amount of work done behind the scenes by the wider team to support the Finance team in their efforts.

2.3 PRIORITISATION RECOMMENDATIONS

Clare Mullan, Economic Adviser and Aaron Wilkinson, Deputy Economist both joined the meeting for this item.

Mel Chittock introduced this item by referring Board members to the summary papers within their Board packs. ELT has now agreed a recommendation on how projects should be ranked, and proposed budget allocations by programme. Mel advised discussions are also ongoing with DfE in parallel on appropriate policy cover for any future changes that may be required.

Mel and Claire Mullan then presented the proposed prioritisation methodology to be applied to Work in Progress projects across a range of programmes against current budget constraints.

The Board discussed the proposal at length and acknowledged that communication of any change would be key and may raise some comment in the market place.

The Chair stated that based on today's discussion, the recommendations put forward by Mel and ELT, that the Board was content to endorse the prioritisation methodology. There was unanimous endorsement from Board members.

The Chair asked how ELT proposed to formally report on how the new process was working to the Board. Mel advised that ELT would meet monthly to make project decisions and would report formally to Board on a quarterly basis.

The Chair asked if the methodology would apply to those projects <£50k. Alan McKeown advised that such projects would be prioritised but may adopt different filtering approaches. Alan agreed to put recommendations for these projects in writing to the Chair, along with an update on the review completed so far on current programmes and solutions.

Mel thanked the Board and stated that next steps would be to update staff before proceeding with external communications to businesses.

The Chair concluded by thanking ELT and the Economists for the huge amount of work completed.

Clare Mullan and Aaron Wilkinson left the meeting.

2.3 STRATEGIC DIRECTION – OBJECTIVE SETTING 2022/23

Donal Durkan referred to the background papers provided to Board members in their Board packs and asked each ELT owner to provide a brief update to Board members on the updated versions of the high level objectives.

There followed a challenging discussion on the objectives presented. The overall consensus from Board members was that some of the objectives needed to be more “SMART, and in some instances further clarity was required on the reason for the proposed target. The Chair asked that ELT owners make the necessary changes to the templates and send to Board members for further comment/approval. The Chair further stated that this should be completed prior to the May Board meeting.

Action: ELT owners to update the objectives as requested and forward these to the Board for comment/approval prior to May Board meeting.

2.4 THE FUTURE FOR START-UPS AND JOINING THE DOTS OF THE ENTREPRENEURIAL ECOSYSTEM

This agenda item was introduced by Invest NI Board member and CEO of Enterprise NI, Michael McQuillan. Joining Michael for this item were – Jonathan McAlpin, Chair of Enterprise NI and Chief Executive of East Belfast Enterprise, Cara Dallat, Chief Executive of Craigavon Industrial Development Organisation (CIDO) and Emma Garrett, Chief Executive of Mallusk Enterprise Park.

Jonathan McAlpin presented on the background and make up of Enterprise NI and the LEA's and explained the current LED provision. Jonathan went on to explain how the current funding landscape is changing and the need to find a bespoke tailored service for all. Cara Dallat and Emma Garrett both gave a brief update on the work within their own agencies and gave an update on the support/advice and signposting provided across the Enterprise NI network.

Michael concluded by giving a brief overview of the work completed to date on a proposed one stop regional service which would provide the right support at the right time to entrepreneurial businesses and asked for Invest NI's support and partnership to bring this proposal to fruition.

The Chair thanked the team for their presentation and stated that they have identified an example of an ecosystem in need of stewardship and asked for views from fellow Board members on what Invest NI's role should be.

Padraig Canavan stated that he was very supportive of the concept; but thought it would be useful to understand any overlap with the current Invest NI provision.

Alan McKeown stated that there is an agreed direction of travel between the councils, LEA's and Invest NI; but that to move forward would require policy cover from DfE. Jeremy Fitch also asked who the team saw as the person who leads and co-ordinates the service.

Michael McQuillan stated that at the minute no-one was doing this.

The Chair stated that this is not about policy cover; but about leadership and looking collectively for the best way to build up critical mass. The Chair thanked Michael and the team for the thought leadership and the challenge brought forward.

Michael McQuillan concluded by stating that this issues presents an opportunity for a true partnership approach.

The Board agreed with the direction of travel and confirmed that Invest NI needs to help facilitate the development of the ecosystem.

Action: Jeremy Fitch and Alan McKeown to continue to engage with Enterprise NI.

Jonathan McAlpin, Cara Dallat and Emma Garrett left the meeting.

2.5 EVOLVE UPDATE

Alan McKeown updated the Board on the progress of Evolve highlighting the recent focus on staff moves to support the City and Growth Deal agenda. The Board were advised that the Behaviours and Values roll out will commence later in May and the review of handling casework under £50k would be completed in the next week and an outline paper will be shared with the Chair for information. The Board noted that external support had been secured for the work in relation to the Corporate Social Responsibility work stream. The Board asked that for the May Board meeting, a detailed dive would be held looking at the elements of Evolve not covered at previous Board meetings.

2.6 COMMUNICATIONS PLAN UPDATE

Peter Harbinson referenced the paper circulated to Board members on short and medium term communications plan. Peter acknowledged there has been a frustration on the lack of profile for Invest NI in the marketplace; but confirmed that once past the upcoming elections there is a plan to communicate quickly and clearly both internally and externally.

Board members stated the need to be more pro-active and communicate positive messages and use them more to engage both internally and externally. The Chair also stated that it would be useful to forward proposed comms messages to Board members as soon as possible to allow them time to fully understand the messages.

Action: Peter to forward copies of all proposed communications to Board members as soon as available and update the Communications Plan presented to reflect the need for more Board engagement.

3. MONTHLY REPORTING TO BOARD BY EXCEPTION

3.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

3.2 CASEWORK REPORT

Paper was noted.

4. ANY OTHER BUSINESS

4.1 CHAIR'S BUSINESS

The Chair advised that the competition for new Board members has now completed and a recommendation to appoint is currently being drafted for the Minister's consideration.

4.2 ANY OTHER BUSINESS

Deborah Lange asked that Board members are notified via e-mail when additional papers are added to Decision Time. This will be taken forward by the Board Secretariat.

Kevin Kingston asked for clarification on the specifics of Invest NI's role within City & Growth Deals now that Invest NI has been asked by DfE to take on the Innovation Sponsor role. He also asked for some further clarification on some of the terminology used within the draft MoU, which he felt was, in part, confusing. Donal Durkan provided an overview of Invest NI's specific responsibilities within the Innovation and Digital Pillars of the City & Growth Deals and set out how we would be managing the range of innovation related projects within the Complementary Fund. Donal advised that the term sponsor did not mean that Invest NI would be responsible for ensuring project approval. Donal added that all project proposals would be subject to the current, extensive due diligence, and only those projects that were economically viable would be taken forward to casework for consideration. Mel Chittock stated that he felt the language could be clearer; but importantly it is good that we now have a draft MoU to consider setting out of roles and responsibilities. Donal added that there would be further engagement with DfE colleagues in the weeks ahead. Kevin Kingston confirmed that there no requirement for the MoU to be presented to ARC.

5. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Thursday 26th May 2022.

The Board Meeting ended at 5.40pm.

Wendy Savage, April 2022

Chair

**ONE HUNDRED AND NINETY FIFTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 26 MAY 2022
MEETING HELD AT INVEST NI HQ**

Present:

Invest NI Board

Rose Mary Stalker (Chair)

Judith Totten

Deborah Lange

Padraig Canavan

Kieran Kennedy

Dr Mark Sweeney

Kevin Kingston

Michael McQuillan

Mark Nodder

Colin Coffey

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Denise Black, Donal Durkan, Jeremy Fitch, Peter Harbinson, Ian Maxwell

Minute Taker: Wendy Savage

The meeting commenced at 1.00pm.

1. APOLOGIES

Apology received from Marie-Therese McGivern and Steve Harper.

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date. The Chair declared interests in the following companies/organisations who are supporters of 4C UR Future, a non-profit organisation founded by the Chair -

21 Training	Allstate	Belfast Harbour	Cranswick	Crust and Crumb
Danske Bank	Excalibur Press	FinTrU	Juggernaut Digital	Liberty IT
NIE Networks	NI Water	Positive Impact Commerce	Staffline	Almac Group
Caterpillar	The Henderson Group	IPC Mouldings	MAD Colour	Manufacturing NI
Openreach	PAC Group	RS Components	Ryobi	Translink
UUEPC	Collins Aerospace	Devenish Nutrition	Finnebrogue Artisan	Henry Brothers
Ignite IT	Kilwaughter	Mannok Build	Nugent Engineering	Tarasis Enterprises
UTV	Warrenpoint Port	Women in Business	ADS Group NI	Belfast Met
BITC NI	CAFRE	Northern Regional College	South Eastern Regional College	Fleming Agri
McColgan's Foods	Bloc Group	Cooneen	Hyster-Yale	The Lycra Company

1.2 MINUTES

The minutes of the April Board meeting were agreed, with one addition at Agenda Item 2.4 and will be published online.

1.3 MATTERS ARISING

The Actions table was reviewed. The following was noted:

Action 1 – Grant for R&D Presentation scheduled for June – Jeremy Fitch advised that DfE have asked that this presentation be postponed until October until they have completed a piece of work on the 10X Innovation Workstream. The Chair advised that this may be the case for the policy piece on wider innovation; but that the original request for an update on the Grant for R&D programme should be provided as part of the 1 page updates for the June Board meeting.

Action 4 – Comparative Data on offers issued – Updated Heat Maps will also be available in the next couple of weeks and will be circulated to the Board.

2. ITEMS FOR DISCUSSION

2.1 CEO REPORT TO BOARD

The CEO commenced his update by discussing the increasingly challenging economic conditions; which are largely driven by the war in Ukraine and the volatility in commodity prices. Mel advised that Invest NI is in dialogue with the DfE in respect of any evolving policy to counter impacts on the NI economy. Mel then commented on our KPI data which has just been released and stated that most of the data shows positive results.

Mel then provided a brief update on the first prioritisation event for projects >£50k and explained that unsuccessful projects from this event would be taken forward to the next ranking event. Mel concluded by providing a brief update on a recent meeting with the Minister and Permanent Secretary and advised there had been positive feedback on the work completed by Invest NI to date.

Board members asked if there had been any feedback from companies who had been unsuccessful in the prioritisation event. Jeremy Fitch advised that companies are aware that they will be taken forward to the next ranking event. Alan McKeown advised that that teams are managing the messaging to companies based on individual queries.

The Chair stated that it is critically important that Comms messaging is updated regularly to ensure everyone has the most up to date information.

Mark Nodder stated that we need to be “up-front” with companies and the need for Invest NI to support only the best projects which will benefit the economy. Mark further stated that companies are now much smarter at finding alternative sources of funding and that this should be encouraged.

Padraig Canavan agreed that our messaging to companies should be clear; but also stated that we need to ensure the balance of support is right.

The Chair also asked how ELT intend to give assurances that prioritisation continues to support the best projects. Mel Chittock advised that there needs to be a control loop and regular updates will be provided to Board.

Mel Chittock also advised that the Corporate Information Team has recently presented some outline work on all of our past interventions looking at anticipated outcomes and advised that once the work is fully completed this should be presented to the Board.

Action: Analysis and findings from interventions from the previous five years to be presented to Board at the November meeting

2.2 STRATEGIC OBJECTIVES 2022/23

Objectives Sign-Off

Donal Durkan advised that updated papers had been circulated and comments received from several Board members. The Chair thanked those Board Members who had provided comments or agreement; but stated that she would like every Board member to either sign-off on what is proposed in the papers or give specific comments back to Don McCann. The Chair acknowledged the excellent work completed to date and provisionally approved the direction

of travel; but advised that the Board were not yet in a position to sign-off on the objectives formally.

Action: Objectives to come back to Board in June for final approval and sign-off.

A discussion followed; which included reference to figures quoted from the NI Labour Market Statistics in the Chief Executive's Report to Board, in respect of the employment rates for 16-24 year olds and those classed as economically inactive. Michael McQuillan advised he had recently seen a presentation given by Gareth Hetherington on this subject; which might be useful for the Board to see to help inform thinking on how we can be involved in facilitating solutions. Donal Durkan suggested that UUEPC might be able to give a broader starting point for this topic. The Chair agreed that this should be the starting position and asked Donal to reach out to UUEPC.

Action: Donal to make contact with Gareth Hetherington & UUEPC to understand the presentation on the economically inactive

Board members also made several specific comments with regards to the Strategic Objectives papers which are summarised below:

- How will we collect and measure data for collaborations, or where we have helped a company obtain alternative funding?
- There must be better alignment between Green Tech and regionality. Better skills will be an opportunity to drive productivity
- Increasing productivity will be a massive challenge
- In the marketplace, scale of ambition is positive; but with the challenge of rising costs

New Board Reporting Format

Ian Maxwell gave a brief update on the proposed new format for reporting to Board; which will be built around the Strategic Objectives. Each objective will have an ELT Lead and a Board Champion; who will act as a mentor and provide advice and challenge. Terms of Reference (ToR) for the role of Board Champion are currently being drafted.

The Chair thanked Colin Coffey for providing advice to Ian on the ToR and asked Ian to take the work offline to further refine the format.

2.3 FINANCE REPORT TO BOARD

Alan Harris joined the meeting and provided a brief update to supplement the Finance Report to Board, which is summarised below:

- Year-end accounting adjustments completed and provisional outturn submitted to DfE. The team continues to work through the budget position for 2022/23 and future years
- Total outturn excluding DfE Administered COVID schemes is 99.27%. When the DfE schemes are included we report an overall underspend of 2.25%, although the underspend is being managed centrally by DfE

The Chair commended and congratulated Alan and the wider Invest NI team for their efforts in helping to deliver the budget in a very challenging environment.

Alan Harris left the meeting.

2.4 BOARD WORKING GROUP UPDATES

Competence Centre Board Working Group

Dr Mark Sweeney provided an update on the outlook for the current Competence Centres and recommendations for the Board Working Group and the Centres themselves moving forward.

The Chair thanked Mark for his stewardship of the Competence Centre Board Working Group over the last years and also thanked Mark Nodder and Deborah Lange for their contribution.

Access to Finance Working Group

Colin Coffey provided an update on the membership of the Access to Finance Working Group and the up dated position with regard to the piece of work being completed by Rob Hunter. Judith Totten also commented that it would be good to see a final report and recommendations from Rob and commended him on his work to date. This report will be shared with Board members once finalised.

The Chair thanked Judith for her commitment and time spent in Chairing the Access to Finance Group and also thanked Padraig for his contribution.

Sub-Regional Board Working Group

Padraig Canavan provided an update from the last Sub-Regional meeting held in Omagh and advised that this was to be both his and Dr Mark Sweeney's last meeting as Kieran Kennedy will take over as the Chair of the Board Working Group. Kieran stated that he found the interactions with companies very useful and thanked Padraig for his guidance and help.

The Chair thanked Padraig for the update and confirmed she would also like to see Board meetings held both internally and externally moving forward. Wendy Savage advised that she is working with Alan McKeown to compile a forward planner of potential venues and dates.

The Chair thanked Padraig for his stewardship of the Sub-Regional Group and also thanked Dr Mark Sweeney for his contribution.

Remuneration Committee

The Chair provided an update on the last two meetings of the Committee and advised that the current ToR is being revised and widened to include a wider People focus and that a dedicated Secretariat is to be appointed.

The Chair also added that all Working Groups and Committees should have an adequate resource/level of support to enable them to function efficiently.

2.5 ARC UPDATE

The ARC Chair provided an update which is summarised below:

- The draft Annual Report & Accounts was provided to the NIAO on 16th May;
- ARC members have been asked to review that version of the accounts;
- The Head of Internal Audit has provided a '*satisfactory*' opinion based on the work carried out during 2021-22;
- We will continue to review changes to the accounts, in particular the Governance Statement, as they are finalised;
- The plan is still for the audit to conclude in June and for the accounts to come to the ARC meeting on 30th June for endorsement.

Risk Register Development Exercise

- The Corporate Risk Register has now been transposed onto the new format in Decision Time;
- The March 2022 update is in the ARC papers for tomorrow's meeting and is presented in the new format;
- A number of new risks have been proposed as part of the development exercise.

Raising Concerns Policy and Procedures

- The Raising Concerns Policy replaces the Whistleblowing Policy & Guidance and is included in the ARC papers for tomorrow's meeting;

Governance Council Update

- The ARC papers contain an update on the progress of the Governance Council;
- The ARC will review and discuss the paper, in particular the information provided on Glenmore, Crescent and casework processes.

The Chair thanked Deborah Lange (former ARC Chair), Mark Nodder and Judith Totten for their commitment and dedication as members of ARC.

The Chair requested an update on the Governance Council Action Plan, specifically on how the actions have been closed off formally. The ARC Chair stated this would be ready to come back to the Board at the start of Quarter 4.

Action: Update on Governance Council Action Plan to be presented to Board at the January 2023 meeting

3. MONTHLY REPORTING TO BOARD BY EXCEPTION

3.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

3.2 CASEWORK REPORT AND PROJECT/PROGRAMME MONITORING REPORT

Papers were noted.

3.3 ACTIONS TRACKER 2021/22

Paper was noted

4. ANY OTHER BUSINESS

4.1 CHAIR'S BUSINESS

The Chair advised that the Board Effectiveness Review team intends to join the June Board meeting to brief the Board on the Review and next steps.

4.2 ANY OTHER BUSINESS

Board members and ELT passed on their thanks and appreciation for the guidance, support and advice to those leaving the Invest NI Board on 31st May.

Retiring Board members Deborah Lange, Judith Totten, Mark Nodder, Dr Mark Sweeney and Pdraig Canavan expressed their thanks and best wishes to the Board, ELT and the wider organisation.

The Chair concluded by wishing each member every success for their future endeavours.

5. NON-EXECUTIVE DIRECTOR SESSION

The Non-Executive Director session commenced at 3.55pm and was led by the Chair.

Mel Chittock and Denise Black stayed for this presentation.

6. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Thursday 30th June 2022.

The Board Meeting ended at 5.15pm.

Wendy Savage, May 2022

Chair

**ONE HUNDRED AND NINETY SIXTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 30 JUNE 2022
MEETING HELD AT INVEST NI HQ**

Present:

Invest NI Board

Rose Mary Stalker (Chair)	Dawn McLaughlin
Colin Coffey	Dominic Darby
Kieran Kennedy	Julie-Ann O'Hare
Kevin Kingston	Melanie Dawson
Marie-Therese McGivern	Patrick O'Gorman
Michael McQuillan	Scott Ritchie
Ciaran Mulgrew	

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Denise Black, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Ian Maxwell

Minute Taker: Wendy Savage

The meeting commenced at 12.30pm.

The Chair welcomed the new Board Members to their first Board meeting and Members provided brief introductions.

1. APOLOGIES

None received.

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date, except for new Board Members. The Board Secretariat will ask for updates from each new Board Member and ensure the register is updated ahead of the next Board meeting. The Chair asked if there were any conflicts with the items due to be discussed today. This was a nil from all attendees.

1.2 MINUTES

The minutes of the May Board meeting were agreed and will be published online.

1.3 MATTERS ARISING

The Actions table was reviewed. The following was noted:

Action 3 – The Chair thanked Steve for the further information on the Skills outturn and stated that a discussion on Skills should be on an upcoming Board agenda. The Chair suggested that this is done in conjunction with the request for UUEPC to present on the economically inactive referenced in last month's meeting.

The Chair asked that Steve Harper and Marie-Therese McGivern take forward the Skills content.

**Action: Gareth Hetherington & UUEPC to present at September Board meeting.
Presentation to include a piece on Skills.**

2. UPDATE FROM BOARD EFFECTIVENESS REVIEW TEAM

Cheryl Robinson, Principal Consultant, BCS, Rhona Reid, Senior Consultant, BCS and Kevin Curran, Sponsor Branch, DfE joined the meeting for this item.

Cheryl and Rhona presented the outline plan and timeline for the Board Effectiveness Review.

The Chair thanked the team for agreeing to undertake the review on behalf of DfE and stated that it is good to take stock.

Dominic Darby asked why there was no plan in place to interview those Board Members who had retired in May 2022.

Several Board Members agreed that to provide a full and rounded review the retired Board Members should also be interviewed.

The Review team advised that they were open to looking at this. The Review team also advised that they hope to be able to come back to present to the Board in August, with the final report being completed by September.

Cheryl Robinson, Rhona Reid, and Kevin Curran left the meeting.

3. CEO REPORT TO BOARD

The CEO commenced his update by welcoming the new Board Members and providing some background on the organisation and acknowledged the drive and determination shown by staff through the challenges of the last two years. Mel then provided a brief update on the short-

term priorities for Invest NI moving forward and where the organisation sees the longer-term strategic opportunities that will shape our future economy.

Mel then provided a brief background to and update on the work of Evolve, Invest NI's transformation programme and advised that meetings are now taking place with stakeholders to update them on the work completed on prioritisation.

Mel concluded by sharing an update and progress against the objectives set for him as Interim Chief Executive.

There was a brief discussion on the use of the word "prioritisation" and the impression this creates. There was broad agreement on the need to ensure our messaging is kept current and in context. There was also a discussion on how Invest NI should communicate with the wider business community.

The Chair advised that we have started a dialogue with the business community and stakeholders; but that we are at the very early stages of embedding the prioritisation process and that as we progress more data will be available to enable us to measure improvement in economic impact. Any messaging will evolve as the process develops.

The Chief Executive advised that as data becomes available, the Board will be kept updated regularly.

4. FINANCE

Ian Maxwell provided a summary of the NI-CO paper, including the key funding challenges and the future options for NI-CO. Kevin Kingston stated that it was important to take legal advice to confirm if Invest NI would have any contractual obligations related to NI-CO projects and on any future audit requirements. Ian confirmed that this work is being progressed Patrick O'Gorman asked if other commercial opportunities are being explored. Ian advised he was

happy to take this away and explore further. The NI-CO Chair and CEO have been invited to present an update at the August Board meeting.

4.1 FINANCE REPORT TO BOARD

Alan Harris, Tim Kelly and Colin Morelli joined for this item.

Brian Dolaghan provided a brief update to supplement the Finance Report to Board, which is summarised below:

- In early May 22, it was advised that Invest NI would receive a 100% Resource Baseline for 2022-23. This has been welcomed and follows a pause on WIP that continued into March
- Despite a 100% allocation, a prioritisation and scenario planning exercise is now in place to consider the impacts of operating under future budgetary constraints, given advice from DfE that budget cover for additional commitments beyond the current year cannot be guaranteed.

Brian asked that his thanks be passed on to the team for the huge amount of work completed to get us to this point. The ARC Chair, Kevin Kingston also endorsed the comments.

4.2 ACCOUNTS 2021/22

Alan Harris provided an update on the Accounts for 2021/22 and took Members briefly through some new reporting requirements. The qualifications on the Accounts remain the same as last year, but the adverse opinions have reduced in significance from the previous year's accounts to "except for" qualifications. The qualifications relate to a difference in opinion with the Audit Office on the accounting treatment for the DfE-administered Covid schemes and the reliance on self-declarations in a number of the other schemes.

Kevin Kingston confirmed that ARC have scrutinised and discussed the qualifications and the ARC Committee is content to recommend that the Accounting Office sign the Accounts for 2021/22; with the proposal that only a material change would need to be looked at again by ARC.

The Chair confirmed that the ARC Chair is recommending that the Accounting Officer sign the Accounts for 2021/22, barring any material changes.

All Board Members were content to proceed on this basis.

The Chair concluded by thanking the team for the phenomenal amount of work completed.

Alan Harris, Tim Kelly and Colin Morelli left the meeting.

5. GOVERNANCE

5.1 ARC UPDATE

Draft Minutes from the May Meeting have been included in the Board pack. These were supplemented by an update from the ARC Chair which is summarised below:

Progress on 2021-22 Audit

- ARC review of key documents:
 - Governance Statement
 - ARC Annual Report
 - Year-end Assurance Statement
 - Head of Internal Audit's Annual Report and Opinion
- Update from NIAO on audit of the accounts

Review of Governance Council Progress

- Update on progress of Governance Action Plan, including areas for improvement identified through the review of External Delivery Organisations.

Risk Register Development

- Corporate Risk Register now on Decision Time
- Good progress made and ARC is content

Raising Concerns Policy and Procedures

- ARC has reviewed and approved the new policy and procedures, which replace the Whistleblowing Guidance
- Includes process to be followed if a concern is raised with a Board Member

The ARC Chair concluded by thanking new Board Members Dawn McLaughlin, and Julie-Ann O'Hare for agreeing to join ARC and attending an earlier meeting at short notice and welcomed Ciaran Mulgrew as the third new Member for ARC.

6. STRATEGIC OBJECTIVES 2022/23

6.1 INVEST NI BUSINESS PLAN 2022/23

The Chief Executive introduced this item and explained that as part of the requirements under our MSFM we need to present a formal Business Plan. The draft with Members for consideration has been built on the work already completed on the Strategic Objectives. Mel advised that the draft still needed to be updated slightly; but asked for the Board's agreement to proceed with the present format for the Business Plan.

Donal Durkan confirmed that this would be a one-year plan with the hope that in line with the Independent Review, we will soon be able to go forward with a multi-year strategy.

Scott Ritchie asked if Invest NI's Comms plan is aligned to the Business Plan. The Chief Executive confirmed that this would be the case. Scott commented further that it would be good to keep the media on-board with the direction of travel as we move forward.

Following discussion, there was unanimous support and sign-off from Board Members on the format of the Business Plan, with the content to be updated to reflect the latest position on the Strategic Objectives, and then to be forwarded to DfE for approval.

6.2 STRATEGIC OBJECTIVES – BOARD SIGN OFF

Donal Durkan provided some context and background to the Strategic Objectives for the new Board Members.

Donal advised that after discussion there will be ten Strategic Objectives moving forward and each Objective will have an ELT Lead and a Board Champion. Each Objective will be reported on to Board on a monthly basis via the new Status Reports. Both the Strategic Objectives and the Status Reports will be living documents and updated to reflect changes moving forward.

The Chair summarised the concept of Board champions which has been discussed at previous Board meetings and stated that as well as the monthly status reporting, part of the role of the Board Champion will be to focus the discussion at future meetings.

Board Members raised several queries on the consistency and formatting of the Strategic Objectives documents and the need to have SMART targets and questioned if there has been any consultation externally on the content.

Donal Durkan advised that as these will cover off the one-year period of the Business Plan there has been no formal consultation. The Chair also added that we work closely with many

different business/industry groups and their plans/opinions have been included in the documents.

The Chair then proposed a Board Member to champion each of the Strategic Objectives and asked Board Members if they were content with the nominations and to sign-off formally on the Strategic Objectives as presented; recognising that they are living documents and will evolve through time.

The Board unanimously agreed to sign-off on the Strategic Objectives as presented and to the nominations of Board Champions; with the caveat described above.

6.3 STRATEGIC OBJECTIVES – STATUS REPORTS

Jeremy Fitch provided an update on the status of the Innovation objective and provided new Board Members with some background on the importance of Innovation and how the targets were set.

7. KPI RESULTS 2022

Jeremy Fitch presented the KPI Results for 2021, which included some background on how KPI's are measured and how they align strategically, an overview of Invest NI's portfolio, sales and employment figures by sector and sales performance. Jeremy also provided an update on the Invest NI cohort changes from 2020 – 2021, an update on growth trends between 2015 and 2021 and concluded with KPI Exports benchmarking data between 2014 and 2021.

Colin Coffey asked how we compare with other regions in England, excluding London. Jeremy advised he would check if this information is available.

The Chief Executive stated that this data gives us a snapshot of what is happening in the Economy and that further in-depth analysis is being completed for us to show what we want the Economy to look like in future years.

8. EVOLVE

Clare Mullan joined for this item.

Alan McKeown introduced this item by providing a brief update on the Evolve transformation programme for the new Board members and advised there would be an update on plans for Competitions for the August meeting.

Action: Update on Competitions to be provided at August Board meeting.

Clare Mullan then presented on the Customer Model workstream, which includes Processes, Products & Rapid Deployment. Clare provided details on the sequencing of sub-projects and the options analysis for target delivery dates for this workstream.

Alan McKeown advised that Evolve is about making Invest NI a strategically led organisation, working in collaboration with DfE.

The Chief Executive also stated that our primary customer should be the Economy and the Evolve programme is about making Invest NI even more relevant and a key driver for change.

Colin Coffey queried the ambitious timelines set. There was an acknowledgement that there may be some slippage; but Clare stated that the ambition remains.

Dominic Darby stated that he would like to understand where the user-centric engagement lands. Alan McKeown stated this would be looked at as part of the messaging moving forward.

The Chair thanked Clare for her presentation and emphasised the huge amount of work that has been completed to date and the magnitude of the transformation that has been started.

Clare Mullan left the meeting.

9. MONTHLY REPORTING TO BOARD BY EXCEPTION

9.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

9.2 CASEWORK REPORT

Paper was noted.

9.3 STATE AID UPDATE

Paper was noted

10. ANY OTHER BUSINESS

10.1 CHAIR'S BUSINESS

Diversity & Inclusion

The Chair asked Denise Black to make a pitch for a Board Advocate to champion Diversity and Inclusion.

Denise provided a brief update and asked anyone interested to contact her. Dawn McLaughlin asked what would be expected in this role. Denise advised she would provide further information.

The Board was supportive of this approach and the Chief Executive reiterated the importance of this role and advised he will be encouraging the organisation to improve inclusivity.

Board Committees/Board Champions

The Chair provided a brief update on the make-up of the Committees and the Board Champion role and advised that these roles will evolve over time.

Kieran Kennedy provided a brief update on the work of the Sub-Regional Board Working Group and plans for moving forward.

10.2 ANY OTHER BUSINESS

Kieran Kennedy asked what the plans were to appoint a new Deputy Chair now that the position is vacant. The Chair advised that she is considering several options, which include considering whether it would be appropriate to appoint a Senior Independent Director either alongside or instead of a Deputy Chair.

Brian Dolaghan issued a reminder that all Board papers and matters therein should be kept confidential.

11. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Wednesday 24th August 2022.

The Board Meeting ended at 5.05pm.

Wendy Savage, July 2022

Chair

**ONE HUNDRED AND NINETY SEVENTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 24 AUGUST 2022
MEETING HELD AT CRAIGAVON CIVIC CENTRE**

Present:

Invest NI Board

Rose Mary Stalker (Chair)

Dawn McLaughlin

Colin Coffey

Dominic Darby

Kieran Kennedy

Melanie Dawson

Kevin Kingston

Ciaran Mulgrew

In Attendance: Mel Chittock, Alan McKeown, Denise Black, Donal Durkan, Jeremy Fitch, Steve Harper, Ian Maxwell

Minute Taker: Wendy Savage

The meeting commenced at 1.15pm.

The Chair opened the meeting by taking the view of Board Members on the informal pre-Board meeting session held with the Makers Alliance. Board Members advised that the session was informative and that there is a need to continue to engage and broaden this engagement to other sector bodies.

1. APOLOGIES

Apologies received from Julie-Ann O'Hare, Marie-Therese McGivern, Michael McQuillan, Patrick O'Gorman, Scott Ritchie, Peter Harbinson and Brian Dolaghan.

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date.

1.2 MINUTES

The minutes of the June Board meeting were agreed, with one addition to be included, raised under AOB and will be published online.

1.3 MATTERS ARISING

The Actions table was reviewed. The following was noted:

Action 5 – The Chair asked if Board Members were content with the date of January 2023 for the Governance Council Action Plan to be brought back to the Board. Following a brief discussion Members confirmed they were content with this date.

2. CEO REPORT TO BOARD

The CEO commenced his update by providing a brief update on the economic landscape, the contraction of global outputs and the Bank of England forecast for the rate of inflation. Mel continued by advising that there is more positive news on the NI Labour Market statistics with a slight increase in the number of people employed in Northern Ireland. Unemployment is currently estimated at 2.7% in NI, which continues to remain below the UK average 3.8%.

However, the level of economic activity levels remains high at 28%. This is significantly higher than the UK average of 21%.

Mel advised that discussions with DfE are ongoing on how the current challenges will impact the economy and the changing business landscape.

Mel then referenced both prioritisation and competitions, both of which will be covered as part of today's agenda.

Mel then provided a brief update on recent Ministerial visits and some significant investment announcements.

Mel concluded by updating the Board on key metrics on regional comparative data previously circulated to Board Members and advised that our Strategic Objectives, approved at the June Board meeting, are now finalised. The Chair advised that DfE should have sight of the finalised documents.

A brief discussion on the productivity measure followed; but this will be covered in more detail at September's Board meeting.

Kevin Kingston stated that given the upcoming inflationary pressures Invest NI needed to be pro-actively communicating with businesses with advice.

3. PRIORITISATION UPDATE

Clare Mullan and Aaron Wilkinson joined the meeting for this item.

Clare provided a quick overview of the aims, objectives and methodology applied for prioritisation of investment. Clare then provided data on the prioritisation events to date and discussed attrition rates. Clare concluded with the key messages on the prioritisation approach

to date – the process is driving greater value for money, encouraging better quality projects and driving a cultural change within the organisation.

Board Members asked if we're prioritising why 46 out of 50 projects had all been approved for support. Clare advised that Client Executives are discussing projects with customers up front and that only the best projects are coming through, with more being withdrawn at an early stage. Kevin Kingston stated that there are checks and balances in place and queried whether ELT are content that the weeding process is working i.e., are the outcomes still consistent with the objectives?

Jeremy Fitch stated that he is content they are moving in the right direction and ultimately a project could still be turned down at casework approval stage.

Dominic Darby advised that he still feels prioritisation is the wrong word to use to describe the process, however, other Board Members felt that the word prioritisation was correct as business is a competition and it's about driving better quality projects.

Kevin Kingston advised he would be keen for an exercise to be considered looking at the level of consistency in pushing projects forward.

There was a further discussion on attrition rates, loss of confidence from customers, the need for a collaborative approach when required and about educating our customers and keeping them informed.

The Chair welcomed the progress and encouraged the team to strive for more quantification of impact. The Board look forward to a further update from ELT on the methodology, understanding both intended and any unintended consequences. The more we can understand and quantify the better we can inform future approaches.

Donal Durkan advised that prioritisation has given the organisation focus but that the process will continue to evolve through 10X.

Colin Coffey stated that we need to be able to provide our customers with a route map on alternatives for help or support if their project is rejected.

Clare and Aaron left the meeting.

4. STRATEGIC OBJECTIVES 2022/23

4.1 STATUS REPORTS - ACCESS TO FINANCE UPDATE

William McCulla and Patrick Dewar joined the meeting for this item.

The Chair thanked William and Patrick for stepping in at short notice to attend the meeting.

Patrick presented to the Board on the future strategy of the Invest NI Access to Finance Funds in Northern Ireland in the context of the £70m British Business Bank that has been provided by Treasury to establish funds in NI. Patrick then explained the amounts available for investing/lending to businesses. Patrick then explained that through the Access to Finance (ATF) Working Group, Rob Hunter undertook a Thought Leadership piece of work earlier this year and that this work builds on the Hatch Evaluation and concluded in June this year and referenced some of Rob's findings. Patrick then went on to explain the current Funds versus potential future Funds and concluded with next steps and other strategic considerations.

Colin Coffey added that the key points from Rob Hunter are that previous interventions worked. Colin also advised that currently the funding landscape is a fluid situation; but that the Access to Finance team will keep the Board up to date as the situation changes. Colin also clarified that ATF lessons learned, and governance improvements were also included in the remit of the working group and on their workplan.

Ciaran Mulgrew asked why we outsource on funding. William McCulla explained that the level of expertise required on funding decisions, accreditation etc. means we need to outsource to experienced Fund Managers.

William and Patrick left the meeting.

5. UPDATE FROM NI-CO

Graeme McCammon (NI-CO CEO) and Ken Nelson (NI-CO Chair) joined the meeting for this item.

Ken and Graeme provided a brief overview of NI-CO, presented performance highlights from 2021/22, provided an update on current opportunities and projections for year end. They went on to discuss key issues and risks for future viability, provided a range of options and proposed solutions and concluded with next steps.

Mel Chittock stated that there is a decision to be made in terms of both NI-CO and Invest NI, and that if the company did close the transfer of staff will only work if there is a skills gap that Invest NI needs to fill and can be matched with NI-CO staff member. Mel stated that he is conscious that he has a duty of care to the NI-CO staff.

Colin Coffey asked when NI-CO will stop bidding for work. Graeme explained that they are being encouraged by the EU to continue to and are actively bidding for work. Ken Nelson also added that this was a matter for the NI-CO Board to discuss. Colin continued by asking about the cashflow situation and was advised this was not an issue.

Kieran Kennedy suggested waiting to see if a new Minister may have a different view on the future of NI-CO.

Kevin Kingston asked how the economic appraisal would be relevant to forward looking options. Ken Nelson advised there is value in the information it offers; but that a business case is also being prepared which is forward looking.

The Chair reminded the Secretariat that the Board had previously asked for Invest NI to undertake an independent review of commercial options for NI-CO and independent clarification of Invest NI's legal position and potential liabilities in addition to the parallel business case being prepared by NI-CO. Ian Maxwell advised that the NI-CO Management team and their Board will provide recommendations to the Invest NI CEO. Kevin Kingston reiterated the need for two separate processes to run in parallel, presenting options for both Invest NI and NI-CO. He stated that Invest NI needs an independent assessment.

The Chair asked Ken and Graeme what the NI-CO staff were being told and advised it was very important that communications should be clear and unambiguous to avoid potential misconceptions.

The Chair advised that there is a desire from the Board to help where they can; but that they need to be cognisant of legal issues as well as economic and financial viability. Ken Nelson stated that there needed to be clear communication; but that the NI-CO Board need to move at pace and are content they have explored all the options. The Chair also stated that the slides on today's presentation needed to be changed to reflect today's discussion to avoid any misunderstanding of the Invest NI position at this time.

Graeme and Ken left the meeting.

Action: Team to provide an independent assessment of the viability, commercial options, the legal position, and liabilities for Invest NI of the various options for NI-CO. Paper to be provided at September Board meeting

Donal Durkan left the meeting at this point.

6. FINANCE

6.1 FINANCE REPORT TO BOARD

Keith Roberts joined the meeting for this item.

The Chair thanked Keith for stepping in at short notice to attend the meeting.

Keith Roberts provided a brief update to supplement the Finance Report to Board, which is summarised below:

- £10m resource surrender was required. This easement arose because of these main factors.
 - An acceleration of c£4m of claims expenditure into 2021-22 to meet that year's budget, which created an easement of the same amount into 2022/23.
 - The impact of the five month pause on the issue of letters of offer from December 2021 to April 2022
 - Applications to Invest NI for assistance have slowed considerably, possible reasons including the turbulent economic landscape and companies slower to invest coming out of COVID-19 restrictions.

ESA 10 Impact

Invest NI and DfE had recently been exploring the implications of the budgetary impact and resulting potential loss to the NI Economy if a replacement for the ERDF funding was not

forthcoming. One of the avenues being explored was the funding of Grant for R&D via Capital allocations under the application of the European System of Accounts 2010 (ESA10). The ESA 10 work has now concluded with a number of significant areas of Invest NI future expenditure, including R&D, being re-classified from resource expenditure to capital expenditure.

The impact is that:

- where that expenditure type was already previously funded from baseline resource, the budget and the related spend will transfer to capital. This will be c£12m per annum and will have nil effect on overall budget pressure or easement.
- where that expenditure type was previously funded by ERDF, and therefore was creating a resource funding shortfall going forward, that ERDF budget shortfall and pressure can now be removed from resource and bid through a capital bid process.
- we understand that the overall ESA solution has eased resource pressures in the wider DfE budget, thus significantly reducing the possibility of baseline resource budget cuts for Invest NI

It is understood that DfE has received an assurance from DoF that some level of capital funding will be allocated to replace the ERDF Research and Development/ Innovation grants from next year and while DfE cannot pre-empt any budget decisions that may be made once an Executive is formed, DfE is content that this agreement represents a good outcome.

The future impact of this is that more resource budget will now be available, and the various options put forward to ELT, by Finance, now need to be considered and plans put in place for effective utilisation of this budget.

The Board asked for an overview of forecast budget utilisation for 2023/24 and beyond.

Action: ELT/Finance to bring a proposal on 23/24 budget utilisation options and look ahead for future years funding back to the Board

Keith left the meeting.

7. EVOLVE

7.1 COMPETITIONS

Susan O’Kane and Ethna McNamee joined the meeting for this item.

Alan McKeown gave a brief introduction to the new regional competition pilot scheme.

Susan then described the current relationship with the Eastern Regional Office has with Sectors, Clusters and Stakeholders and explained the benefits of competitions. Ethna then introduced the “Ambition to Grow” pilot scheme and explained how the competition would work in practice. Ethna concluded by telling Board Members about upcoming Regional Stakeholder events which will be taking place in each of the eleven Council areas and asked for Board members support in attending these.

The Chair congratulated Susan and Ethna for their excellent presentation and the achievements in getting the pilot scheme to this stage. The Chair pledged her commitment to attending as many of the Stakeholder events as possible and urged her Board colleagues to do the same.

Dawn McLaughlin also passed on her congratulations and advised the events would dispel any negativity out in the marketplace. Dawn asked for some more detail on the baseline required for applications, which Susan provided.

Colin Coffey also congratulated Susan and Ethna and asked for the dates for the events to be issued as soon as possible.

Kieran Kennedy stated this was a great result and asked how Regional Executives felt about handing customers over to Client Executives. Susan explained that building relationships is good; but that churn is needed to bring new potential customers through. Colin Coffey asked about the role of the Client Executive and Mel Chittock advised this will be looked at under another workstream in Evolve.

Kevin Kingston asked how digitised the pilot scheme would be and was advised that the pilot will be fully digital. Alan McKeown added that eventually he would like fully digitised processes and decision making for interventions at agreed levels and a project team would be established under Evolve to look at this approach.

Mel Chittock stated that this pilot scheme puts us out into the marketplace, helps sub-regionally and helps drive the agenda of targeting what we need to drive the economy and opens doors to companies we would not normally work with. Mel Concluded by commending the team on the work completed to date.

Susan and Ethna left the meeting.

8. MONTHLY REPORTING TO BOARD BY EXCEPTION

8.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

8.2 CASEWORK REPORT

Paper was noted.

9. ANY OTHER BUSINESS

9.1 BOARD FORWARD PLANNER

Ian Maxwell provided an update on the plans for the content of the Board meetings until the end of the year and confirmed dates for each Strategic Objective to be presented to the Board. The Board discussed the need for another meeting to be held in December to discuss the Independent Review report. Board Secretariat agreed to look at possible dates.

The Chair offered help to new Board Members from herself, Colin Coffey and the Board Secretariat in helping them make contact with their ELT Leads in their role as Board Champions on the Strategic Objectives.

Denise Black confirmed that Melanie Dawson has agreed to act as the Board Advocate for Diversity and Inclusion.

9.2 CHAIR'S BUSINESS

The Chair advised that it is essential that the training plan is developed for the new Board Members and asked for both herself and the CEO to review it as soon as possible. The Chair recommended new Board Members should be given every opportunity to attend and observe Board Casework panels as part of their training. The Chair also stated that the default position should now be that panels meet in person, with hybrid being offered, only if appropriate.

Action: Board Secretariat to develop Board training plan and forward to the CEO and Chair for review as soon as possible

9.3 ANY OTHER BUSINESS

Kieran Kennedy raised a query regarding the six-month extension to the Chair's tenure and asked if the Chair would be offered another term after this point. The Chair advised that there was no additional information available at this time.

Kieran Kennedy expressed concern about the potential findings of the Board Effectiveness Review. The Chair advised that we should await of outcome of each Review before taking any action.

10. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Wednesday 28th September 2022.

The Board Meeting ended at 5.05pm.

Wendy Savage, August 2022

Chair

**ONE HUNDRED AND NINETY EIGHTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 28 SEPTEMBER 2022**

MEETING HELD AT INVEST NI HQ

Present:

Invest NI Board

Rose Mary Stalker (Chair)

Julie-Ann O'Hare

Colin Coffey

Patrick O'Gorman

Marie-Therese McGivern

Dominic Darby

Kieran Kennedy

Melanie Dawson

Kevin Kingston

Scott Ritchie

Michael McQuillan

Ciaran Mulgrew

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Denise Black, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Ian Maxwell

Minute Taker: Wendy Savage

The meeting commenced at 12.30pm.

1. APOLOGIES

Apology received from Dawn McLaughlin.

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date and there were no conflicts with any items under discussion today.

Opening Remarks

The Chair acknowledged the dedication and life-long service of the late Queen Elizabeth II and stated that the late Queen had been an inspirational leader, who had transcended boundaries here in Northern Ireland.

Both the Chair and the Chief Executive attended the Memorial Service held in St Anne's Cathedral and the Chair was also fortunate enough to have been asked to represent Invest NI at the State Funeral of Her Majesty Queen Elizabeth II.

The Chair also congratulated Kevin Kingston on behalf of the Board for being awarded an Honorary OBE by the late Queen for services to Financial Services during COVID-19.

1.2 MINUTES

The minutes of the August Board meeting were discussed. A Board Member asked for clarification on a point raised within the Finance Report to Board. A further query was raised around the wording under AOB. Additional/updated wording on both queries will be circulated for agreement. Once these edits have been agreed the August minutes will be published online.

1.3 MATTERS ARISING

The Actions table was reviewed. The following was noted:

Actions 1 & 2 – The Chair asked if these updates could be provided as papers rather than tabling as formal agenda items in October. Agreement reached on this basis.

2. CEO REPORT TO BOARD

The Chief Executive commenced his update by providing a brief update on the economic landscape, which is currently uncertain. Mel referenced the mini budget and its impacts on interest rates and exchange rates, and the ongoing work on the energy cost crisis, which would be discussed later in the meeting.

Mel continued by advising that the economic downturn could be more severe than previously anticipated and that discussions with DfE are ongoing on how the current challenges will impact the economy and the changing business landscape.

Mel referenced the unemployment figure which is currently estimated at 2.4% in NI; but advised there is an expectation that companies will begin to shed labour. Invest NI may begin to see a slowdown in claims received and project timelines being pushed further out.

Mel referenced the fact that we may be without a Minister after 28th October and advised that depending on the level of powers inferred on the Permanent Secretary, there may be a challenge for Invest NI in introducing any new schemes or the approval delegations for large projects.

Mel concluded by updating the Board on his interactions with the Independent Review team and updated the Board on his understanding of the key dates for the publication of the Review findings.

Board Members made the following comments on Mel's update – Board Members asked if there has been any assessment made on potential impacts on rising interest rates, and on

how we could be challenging Government to help NI businesses. Mel and ELT members advised that Client Executives are in regular contact with businesses and would have a very clear understanding on those businesses adversely impacted by rising interest and energy costs. Mel added that our remit is to signpost businesses about how we can help and that there is currently a lot of information on the NIBusinessInfo website, which can be forwarded to Board Members for information.

Board Members also suggested that whilst employment numbers remain high, we might be approaching a tipping point. Board Members asked what ELT is doing to look for opportunities, what is the USP for NI? Board Members also suggested that Invest NI should plan on the worst-case scenario for the economy in the hope that this does not happen. We should look at things we can do and things we can influence to limit the downside and maximise the upside.

The Chief Executive thanked Board Members for this good advice and advised this would be taken away and discussed by ELT.

3. ENERGY COST CRISIS

Jeremy Fitch presented on this agenda item. Jeremy started his presentation with a brief background to and context for a very recent client base fact-finding exercise undertaken by Invest NI and pulled out some details regarding how companies viewed the rising energy costs as a risk to the viability of their business. Jeremy then gave brief details on the UK response – Energy Bill Relief Scheme and how this might apply to NI. Jeremy went on to provide details of the current Invest NI Energy and Resource Efficiency schemes available and concluded his presentation by providing an update on how Invest NI is working very closely with DfE to help inform and develop any new energy schemes and to help respond to energy cost pressures.

Jeremy also advised that UKRI has just announced a new “Industrial Energy Transformation Fund” with £290m of funding available and advised his team is ready to help companies apply for funding.

The Chair asked our Board Champion for Sustainability to provide any insights on the current situation. The Board Champion stated that every business is currently under pressure; but those with the lowest margins could be impacted most. The Board Champion queried what Invest NI's role should be – is it our responsibility to help all companies who are in difficulty, or do we focus on those with the biggest growth potential?

A discussion followed, with Board Members discussing Invest NI's role and whether we should be helping all businesses to be more energy efficient, how we can help companies to look for opportunities to drive green growth, what our ESG focus should be, what new DfE initiatives should look like and how Invest NI would be involved; but all were agreed that any intervention would need to be properly resourced.

Board Members also discussed the need for more detail on the UK scheme and how this would be applied in NI and the need for more detail on those businesses who consider themselves at risk e.g., by sector, size etc. and what the businesses themselves need by way of help.

The Chief Executive advised that Invest NI needs to stay close to DfE on this, as the energy crisis is a national economic problem, and that we should tailor our interventions on the basis of information and guidance from DfE's Energy Branch.

Board Members also discussed how they could potentially input and offer advice on policy development; but also, the need for Invest NI to look at how it pitches any future communications. The consideration that the high energy costs could be a "blip" versus living in a high energy rate economy in the longer-term was also discussed, especially in light of upcoming legislative changes on climate change, which may mean that energy costs will remain high. One Board Member also stated that if we wait to collect all of the data needed to inform change, we may end up doing nothing and they would prefer to do something now and be half right than do nothing at all.

It was commented upon that whilst this is a crisis for the economy, it has the potential to accelerate sustainability and that Invest NI should use this as an opportunity to accelerate actions and supports.

The Chair concluded by summarising the discussion as follows:

- More specificity needed for the high-risk companies to inform both us and DfE on risks and what help companies require
- ELT, based on their own expertise, need to make assumptions in terms of how they believe the market will perform in the short, medium and long term. ELT should come back to Board with their best assumptions and how they can be used to guide any actions
- What is INI role? With limited resource we need to prioritise – should we target long - term growth potential?
- We need to use our assumptions to inform DfE and help them shape any interventions
- Separately, should we be asked to implement and run a DfE intervention what is our plan?
- Currently, are our current interventions fit for purpose?
- In parallel with the work currently being undertaken by Rachel, we need to be seizing all opportunities

Action: Following Board discussion on Energy Cost Crisis, ELT to look at parallel streams of activities and come back to October Board Meeting with recommendations.

4. STRATEGIC OBJECTIVES 2022/23

Strategic Objective owners and Board Champions provided very brief updates on progress.

4.1 STATUS REPORTS - SKILLS

Niall Casey joined the meeting for this item.

The Board Champion for Skills introduced the presentation and Niall then provided a brief explanation of Invest NI's role in Skills provision and showed the wide range of groups and forums where Invest NI can play an influencing or representational role. Niall then gave a brief update on the Skills priorities for 2022/23 and concluded with progress made to date.

The Chair thanked Niall and the Board Champion for their presentation and Board Members made the following observations:

- Re targets on priorities discussed – some are challenging, others less so
- Anything that can be done to lift barriers to those wanting to return to NI to work would be very useful
- Where do we have inclusivity within our own Strategic Objectives?
- Great that we can use our role as influencer and intermediary to work across an number of other government agencies to help drive outcomes

5. PRESENTATION FROM UUEPC – ECONOMIC AND SKILLS OVERVIEW

Gareth Hetherington, Director of UU Economic Policy Centre (UUEPC), joined the meeting for this item.

Gareth provided an NI Economic and Skills overview to the Board, which included an update on the NI labour market, hybrid working, the skills supply from education, the demand for skills and a look at the (im)balance between supply and demand. Gareth concluded by leaving some thoughts for Invest NI to consider based around attracting high productivity jobs and the challenge of resilience versus efficiency.

The Chair thanked Gareth for his inciteful presentation and asked, based on the analysis, what was his recommendation for Invest NI. Gareth advised that there is a need for a co-ordinated Skills provision and the need to make NI an attractive place to learn, live and work.

A discussion followed, with Board Members making the following comments:

- There tends to be a focus on bringing companies to NI; but how do we attract people?
- To respond to the drive for better wealth and health we need to drive better salaries
- We currently measure success on job numbers, the presentation today is more about wealth creation – how do we achieve this? This question was addressed by advising that discussions are underway with DfE on measuring productivity.
- There is a disconnect between the education sector and the private sector which needs to be addressed

Gareth and Niall left the meeting.

6. FINANCE

6.1 FINANCE REPORT TO BOARD

Brian Dolaghan provided a brief update to supplement the Finance Report to Board, which is summarised below:

- Variance on spend is mainly due to a timing issue on receipt of claims
- Whilst there is no formal Monitoring Round in October, we continue to work with DfE on an intra-departmental monitoring exercise

7. GOVERNANCE

7.1 ARC UPDATE

The ARC Chair provided a brief update from the latest ARC meeting. Key headlines are summarised below:

- ARC has reviewed the final NIAO Report to those Charged with Governance
- Internal Audit work proceeding to plan
- Outstanding Internal Audit recommendations – ARC has challenged the teams involved to bring these to a conclusion
- EDO Inspection process is back on track

- New Risk Register discussed
- ARC has received an update from the Governance Council on actions outstanding
- ARC has reviewed a number of reports and is taking a deeper dive on a Raising Concerns issue
- ARC has asked teams for some clarity on a number of issues relating to the PPE test drilling exercise

7.2 UPDATE ON NI-CO

Ian Maxwell provided a brief update on the position paper provided as part of the Board pack, which outlines options for the viability of NI-CO. The Chief Executive confirmed that the paper provided a direction of travel; but that no final decision has yet been made. The Chief Executive confirmed he will keep the Board informed on any decision made.

The Chair thanked Ian for the update and stated that it was good to see some progress.

8. MONTHLY REPORTING TO BOARD BY EXCEPTION

8.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

8.2 CASEWORK REPORT

Paper was noted.

9. ANY OTHER BUSINESS

9.1 CHAIR'S BUSINESS

The Chair gave a brief update on her ongoing engagement with the Independent Review team.

9.2 ANY OTHER BUSINESS

A Board Member reminded everyone of the upcoming Ambition to Grow regional events and asked for support from colleagues in attending these events.

ELT Members left the meeting at this point.

10. NON-EXECUTIVE SESSION

The Non-Executive Board session commenced at 4.15pm and ended at 5.50pm.

11. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Wednesday 26th October 2022.

Wendy Savage, September 2022

Chair

**ONE HUNDRED AND NINETY NINTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 26 OCTOBER 2022**

MEETING HELD AT INVEST NI HQ

Present:

Invest NI Board

Rose Mary Stalker (Chair)

Julie-Ann O'Hare

Colin Coffey

Patrick O'Gorman

Marie-Therese McGivern

Dominic Darby

Kieran Kennedy

Melanie Dawson

Kevin Kingston

Scott Ritchie

Michael McQuillan

Dawn McLaughlin

Ciaran Mulgrew

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Denise Black, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Ian Maxwell

Minute Taker: Wendy Savage

The meeting commenced at 1.30pm.

1. APOLOGIES

None received.

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date and there were no conflicts with any items under discussion today.

1.2 MINUTES

The minutes of the September Board meeting were agreed and will be published online.

1.3 MATTERS ARISING

The Actions table was reviewed. The following was noted:

Actions 1 & 2 – SFA/Productivity Measures - Brief verbal update provided on progress. The Chief Executive advised that good progress has been made and advised he would like to see the dialogue moving forward towards how we can help the economy grow.

Action 3 – Analysis of Data - Brief verbal update on the Performance report provided. Demo of dashboard behind the report will be made available to Board members. A Board member stated that they did not feel Innovation featured strongly enough in the performance report. The ELT member responsible advised they would discuss this with the Board member and give them further info on the dashboard info.

2. BOARD EFFECTIVENESS REVIEW – FINDINGS

Cheryl Robinson (Principal Consultant, BCS), Rhona Reid (Senior Consultant, BCS), Michelle Scott, DfE and John Simms, DfE joined the meeting for this item.

Michelle gave a brief introduction and thanked the team from BCS for the work completed. Rhona and Cheryl then briefly presented the outline findings from the draft report previously circulated to members.

The Chair thanked the review team for their draft report and welcomed the findings, stating this was a good opportunity for a re-set.

Board members provided some verbal feedback on the content of the draft report and will follow up in writing to the Review team. Board members also agreed to find time to reflect on the report further and to develop actions where appropriate

Cheryl, Rhona, Michelle and John left the meeting at this point.

A robust discussion followed with Board members and ELT members stating their views and opinions.

Action: Board Members to provide feedback to the Secretariat. Actions to be developed where appropriate

3. CEO REPORT TO BOARD

The Chief Executive referred members to his CEO Report contained within the Board papers circulated and added that discussions on the energy crisis are currently ongoing at DfE/NIO/Ministerial level. Mel also provided a brief update on 2 major projects.

Mel completed his update by advising that he would provide an update on performance at the next Board meeting.

4. STRATEGIC OBJECTIVES 2022/23

4.1 STATUS REPORTS

- Inclusion & Place

The Board Champion provided an update on the latest Sub-Regional meeting – demo including a demo of dashboard provided to members and a discussion regarding the role of the regional teams. The Board Champion thanked the Chair for her support at the Ambition to Grow regional events.

Alan McKeown thanked everyone for their support, help and feedback during the recent Ambition to Grow events and advised a wash-up session for staff and Board members would be organised.

The Chair advised members that a comprehensive regional engagement plan for the Board is currently being drawn up by ELT members and the Board Secretariat.

- Entrepreneurship

Jeremy Fitch provided a brief update on the MIT Reap programme, and the group's progress on bringing forward an action plan; the Clinical entrepreneur programme and explained that DfE are leading on the wider entrepreneurship strategy. The Board Champion then commented further on the MIT Reap programme and the need for the action plan to be cross-cutting and DfE's remit on the wider entrepreneurship strategy.

- **Productivity/Operational Excellence**

Steve Harper provided a brief update on operational excellence i.e., helping companies to improve best practices and supply chain resilience i.e., critically looking at companies supply chains to help them improve and increase productivity. Steve also explained how important the companies involved in operational excellence found the advice element of support.

5. FINANCE

5.1 FINANCE REPORT TO BOARD

Brian Dolaghan provided a brief update to supplement the Finance Report to Board, which is summarised below:

- DfE Finance indicated that they will shortly be commissioning an internal future year information gathering exercise for 2023/24 to 2025/26. This, together with the outcome of the rebuilding and new initiative discussions at October Board meeting will be used to update the forecast budget demand for the anticipated budget exercise.

6. ENERGY COST CRISIS UPDATE

The Chief Executive advised that this agenda item had been withdrawn to enable Executive's to gather further information and an update would be provided to Board members prior to the next Board meeting.

7. MONTHLY REPORTING TO BOARD BY EXCEPTION

7.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

7.2 CASEWORK REPORT

Paper was noted.

8. ANY OTHER BUSINESS

8.1 CHAIR'S BUSINESS

The Chair gave a brief update on the positive feedback received from all participants, including elected representatives, during the Ambition to Grow events. The Board agreed to build on this approach for future stakeholder engagement.

The Chair commended the International Team on the programme of events put together for their recent visit to Northern Ireland.

8.2 ANY OTHER BUSINESS

The Chief Executive updated the Board briefly on recruitment plans and advised that a temporary promotion would be put in place to cover the post of Executive Director, People & Culture until plans are finalised for a recruitment competition.

The Chair also reminded the Secretariat that an update is due on succession planning and critical skills posts at the next Board meeting.

Action: Succession planning and critical skills posts to be added to agenda for next Board meeting.

The meeting ended at 4.30pm.

9. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Thursday 15th December 2022.

Wendy Savage, October 2022

Chair

**TWO HUNDREDTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 15 DECEMBER 2022
MEETING HELD AT INVEST NI HQ**

Present:

Invest NI Board

Rose Mary Stalker (Chair)	Julie-Ann O'Hare
Colin Coffey	Dawn McLaughlin
Marie-Therese McGivern	Dominic Darby (joined at 2.00pm)
Kieran Kennedy	Scott Ritchie
Kevin Kingston	
Michael McQuillan	
Ciaran Mulgrew	

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Carolyn McKenna, Donal Durkan, Peter Harbinson, Steve Harper, Ian Maxwell

Minute Taker: Wendy Savage

The meeting commenced at 1.30pm.

The Chair welcomed Carolyn McKenna to her first meeting as Executive Director, People and Culture.

1. APOLOGIES

Apologies received from Patrick O’Gorman, Melanie Dawson and Jeremy Fitch.

1.1 DECLARATION OF CONFLICTS OF INTEREST AND OPENING REMARKS

It was confirmed that the current Register of Interests was up to date and there were no conflicts with any items under discussion today.

1.2 RAISING CONCERNS

Board members were reminded of their obligations under the raising concerns policy and procedures.

1.3 MINUTES

The minutes of the October Board meeting were agreed and will be published online.

1.4 MATTERS ARISING

The Actions table was reviewed. The following was noted:

Action 2 – Energy Crisis Update – Board members noted the update paper issued to them in early December and asked for a follow up discussion at a future Board meeting.

2. CEO REPORT TO BOARD

The Chief Executive referred members to his CEO Report contained within the Board papers circulated and mentioned a report issued by Queen’s University and The Productivity Institute, which he suggested members should read. Mel then gave an update on a recent announcement and thanked fellow Board members for attending the event with him. Mel then updated the Board on recent meetings with the Councils, stakeholders and his recent engagement with Enterprise Ireland where he spoke at a Leadership for Growth event in their offices in Dublin. This is a programme we partner on with Enterprise Ireland.

Mel then briefly provided an update on ongoing discussions with DfE on the various 10X workstreams and how this feeds into business planning. Mel advised there is a role for Board members to play in helping set the strategic direction for Invest NI moving forward and asked the Board to consider nominating members to sit on a Board Strategy Working Group to support the development of the 2023/24 Business Plan. Mel concluded his update by introducing Donal Durkan to provide some further context on 10X engagement and business planning.

A Board member stated that they would welcome a future discussion on assistance to large companies. The CEO advised this could potentially be considered as an agenda item for a Strategy session planned for February.

Action: Discussion on assistance to large companies to be considered as an agenda item for February's Strategy session.

Action: Board to consider nominating members to sit on a Board Strategy Working Group to support the development of the 2023/24 Business Plan.

Donal Durkan gave an update on the significant engagement to date with DfE on 10X alignment at both executive and operational levels, the development of 10X metrics and objectives and how these flow into Invest NI's business planning process, aligning with the Triple Bottom Line of Innovation, Inclusivity and Sustainability. Donal concluded his update by asking for help from Board members to help develop the strategic direction for the organisation in the current business planning process.

Board members asked for a timeline regarding the production of the business plan and Donal agreed to circulate this to members.

Action: Donal to circulate a timeline regarding the production of the Business Plan.

3. STRATEGIC OBJECTIVES 2022/23

3.1 STATUS REPORTS

- Investment & Jobs

Brian Dolaghan provided a brief update on progress to date against these targets and engagement with the British Business Bank on Access to Finance.

- External Sales

Steve Harper provided a brief update on progress against targets and the roll out of the “Grow Further Grow Stronger” exporter campaign.

- City & Growth Deals

Board Champion, Julie-Ann O’Hare started her update by thanking Donal Durkan and his team for bringing her up to speed so quickly and comprehensively. Julie-Ann continued by providing an update on the importance of the City & Growth Deals and how they are a huge opportunity for the Northern Ireland economy and are indeed transformational. Julie-Ann stated that there is a need for staff to work collaboratively and stated that she felt this objective deserved more time on the agenda for further discussion. She is keen for Board members to get a better understanding of the range of projects Invest NI staff are engaged in across the 4 City & Growth Deals. Julie-Ann suggested a one page update could be added to future Board papers and a member suggested the potential for some off-line briefing sessions or the setting up of a ‘Data Room’ that members could access. The Chair stated that further discussion on City & Growth Deals could potentially be considered as an agenda item for February’s Strategy session.

Action: Monthly one page update on City & Growth Deals to be added to Board papers.

Action: City & Growth Deals briefing sessions and the setting up of a ‘Data Room’ to be considered.

Action: Further discussion on City & Growth Deals to be considered as an agenda item for February's Strategy session.

4. PROPERTY UPDATE

William McCulla (Director – Property Team), Gary Cushnahan (Property Team) and Sharon Keenan (Property Team) joined the meeting for this item.

Dawn McLaughlin introduced this agenda item and advised the team would provide an update on the outcome of the Property review, recommend a way forward and seek endorsement from the Board. Dawn stated that the presentation provided a summary of a paper circulated as part of the Board pack.

Gary Cushnahan provided a brief overview of the current land availability across Northern Ireland and overlaid an analysis of supply versus demand.

Sharon Keenan then provided a brief overview from the SQW report on the NI Industrial land market and the suggested recommendations coming from the report.

William McCulla concluded the presentation by outlining proposed next steps and sought Board endorsement to proceed with the principles of a new pilot scheme.

Following discussion, the Board endorsed the request with the caveat that the team present to the Board in the future on the proposed business model.

The Chair also suggested that a follow up meeting should be organised for those Board members wanting a more comprehensive background briefing from the Property team.

Action: Follow up meeting to be organised with the Property team and interested Board members. Update from the Property team on their business model to be added to a future Board agenda.

William, Gary and Sharon left the meeting.

5. FINANCE

5.1 FINANCE REPORT TO BOARD

The Chief Executive spoke briefly about the need to look at the format of Finance reporting to the Board to include information on planned activity and a forward look. This re-iterated the need for more clarity on all papers provided to Board members regarding whether information presented is for information, discussion or approval. The Chair stated that this would be welcome given the Board's responsibility for approving budget.

There was a short discussion regarding the Board's responsibilities in this matter and whether authority for in-year budget allocations and changes should be delegated to the Executive team. One Board member felt strongly that ELT should be bringing this assurance to Board without the need for Board to approve each decision with regards to budget changes and monitoring round adjustments. The Chair advised further consideration would be given to this as discussions continue.

Brian Dolaghan provided a brief update to supplement the Finance Report to Board, which is summarised below:

- The programme expenditure up to 31 Oct 2022 was 39.9% of the total budget for the year.
- Current resource underspend is due to timing of claim receipts. It is expected that these variances will normalise in the coming months.

- DfE Finance indicated that they will shortly be commissioning an internal future year information gathering exercise for 2023/24 to 2025/26.
- Mindful of recent budgetary statements by NIO/SoS regarding the approach to managing the in year forecast budgetary deficit and the resultant need for rebalancing in 2023-24. This has the potential to introduce additional pressures on funding availability for DfE and it's ALBs.
- The Board requested that future summaries include reference to both the position of capital and resource expenditure in relation to in year expenditure.

Action: Monthly finance reports to provide a separate overview of capital and resource expenditure.

6. GOVERNANCE

6.1 ARC UPDATE

The ARC Chair provided a brief update from the latest ARC meeting. Key headlines are summarised below:

- Update on Review of Financial Processes briefly discussed
- External Audit Update provided
- Internal Audit Update provided
- Review of Mid-Year Assurance Statement – issues with delayed and incomplete PPEs have been raised with programme / project owners
- Proposed changes to Fraud and Raising Concerns Procedures and reminder of obligations now tabled at ELT and Board meetings
- Review of Gifts and Hospitality reporting – updated guidance to be issued

7. MONTHLY REPORTING TO BOARD BY EXCEPTION

7.1 MARKETING & COMMUNICATIONS REPORT

Paper was noted.

8. WORKSHOP - APPROVAL OF BOARD DOCUMENTS

Following the agreement in principle at the Board workshop in November 2022 of the following new Board governance documents – Conflicts of Interest Guidance, Code of Conduct, Standing Orders, Roles and Responsibilities relating to the Board and Roles and Responsibilities of the Board Secretariat, final updates to wording on the documents will be closed out via e-mail.

9. ANY OTHER BUSINESS

9.1 CHAIR'S BUSINESS

Nothing raised under this agenda item.

9.2 ANY OTHER BUSINESS

Nothing raised under this agenda item.

Mike Brennan, Permanent Secretary, DfE and Michelle Scott, Director of Business Interventions, DfE joined the meeting.

Mike Brennan provided an update to Board members on his recent meeting with the Secretary of State for Northern Ireland and provided some commentary on upcoming decisions on budget and economic outlook.

ELT and Board Secretariat left the meeting at this point and further closed discussions took place between the Non-Executive Directors, Mike and Michelle.

Mike and Michelle left the meeting.

The meeting ended at 4.15pm.

10. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be on Wednesday 25th January 2023.

Wendy Savage, December 2022

Chair