

# **INVEST NORTHERN IRELAND BOARD MINUTES 2011**

**January 26<sup>th</sup> 2011**  
**February 22<sup>nd</sup> 2011**  
**March 23<sup>rd</sup> 2011**  
**April 20<sup>th</sup> 2011**  
**May 24<sup>th</sup> 2011**  
**June 21<sup>st</sup> 2011**  
**August 24<sup>th</sup> 2011**  
**September 28<sup>th</sup> 2011**  
**October 26<sup>th</sup> 2011**

**EIGHTY FIRST MEETING OF THE INVEST NORTHERN IRELAND BOARD ON  
26<sup>TH</sup> JANUARY 2011**

**Present:**

Stephen Kingon (Chairman)

Bryan Keating (Deputy Chairman)

Alan Lennon

Frank Hewitt

David Dobbin

John Brady

Gerry McGinn

Tim Brundle

Mark Ennis

Prof Gerry McCormac

Ed Vernon

**Minute Taker:** Margaret Sansome

**In Attendance:** Alastair Hamilton, Mel Chittock, Ian Murphy, Jeremy Fitch, Tracy Meharg, Damian McAuley, Charles Hamilton & Alison Gowdy

**1. APOLOGIES & DECLARATIONS OF INTEREST**

Roy Adair offered his apologies for this Board meeting. The Board wished Roy a speedy recovery from his recent illness.

The Chairman asked Board Members to declare any conflicts of interest. There were no conflicts to note.

**2. MONTHLY REPORTING TO BOARD**

**2.1 MINUTES NOVEMBER WORKSHOP AND NOVEMBER MEETING**

The minutes of the November Workshop meeting were agreed as a true and correct record. One amendment to be made, Catherine Bell's name to be added under section 2.4.

The minutes of the November Board meeting were agreed as a true record of that meeting.

## **2.2 MATTERS ARISING**

The Chairman gave an overview of the Outstanding Actions Arising paper.

Mel Chittock gave the Board an update on the Impact of Liquidity highlighting the actions DFP have taken to improve the local environment and the current position of local banks. It was noted that the Finance Minister and Sir John Vickers would be meeting today to discuss liquidity issues. The Board were content with the update provided.

## **2.3 CEO REPORT & BUDGET PRESENTATION**

The Chief Executive gave the Board an overview of the CEO report to Board. He highlighted a number of key points.

The Chief Executive congratulated all the teams across the organisation for their hard work in delivering the projects highlighted in the report to Board. Projects are now split into two sections those announced and those to be announced to assist members in maintaining confidentiality of unannounced projects.

The Chief Executive highlighted that all the 3 year Programme for Government (PfG) KPIs with the exception of one (currently at 99%) have been met. It was noted that some projects offered at the early stages of PfG which are not going to be delivered have been removed from the overall figures. A discussion ensued regarding projects and announcements. Going forward the sector of a project should be highlighted in brackets after the company name on the CEO Report to Board.

The Chief Executive also gave an update on his interactions with the Department in relation to the Transform Programme. An overall update on the Transform Programme will be provided at the February Board Meeting.

The Chairman and Chief Executive also gave the Board an update on Invest NI's continued discussions with the Minister, the Department, DFP, the Business

Alliance and other Stakeholders regarding budgetary issues going forward. A discussion ensued regarding the strategic and operational issues which could emanate from a reduced budget allocation. The discussion focussed on Selective Financial Assistance (SFA), the implications of drawdown periods, project negotiations, the risk of overspending and the impact of budget allocations on the Department's Executive Strategy.

The measurement of success versus the efficiency of spend was also discussed by the Board. How does Invest NI demonstrate continuous improvement? The Chief Executive highlighted key figures showing continuous improvement over the past 3 years and will circulate these figures to the Board.

David Dobbin left the meeting at 2.45.

The Chief Executive left the meeting at 3.05.

## **2.4 FINANCE REPORT TO THE BOARD**

Mel Chittock gave an overview of the finance report and an update on the latest position including commentary on the 2010/11 financial performance year to date and the main budget movements submitted in the February Monitoring Round.

Specific attention was drawn to the amount to be accrued to the end of March and the level of activity forecast.

Tim Brundle left the meeting at 3.14

## **2.5. MARKETING AND COMMUNICATIONS REPORT TO THE BOARD**

Members were asked to note this report.

The PR Activity Planner will be issued to the Board on a weekly basis.

## **2.6 CASEWORK REPORT TO THE BOARD**

Members were asked to note this Report.

## **3. CHAIRMAN'S BUSINESS**

### **3.1 Board Audit Committee (BAC) Minutes**

Gerry McGinn gave an update on the main issues discussed at the Board Audit Committee and stated that a Departmental Audit Committee is scheduled for 10<sup>th</sup> February.

A discussion ensued regarding the management of risk and the need to ensure that the risk register is a dynamic document. It was noted that a review of the Risk Register is being undertaken and will be discussed at BAC in May. The Risk Register will then be discussed at the June Board Meeting

### **3.2 Corporate Planning**

The Chairman gave the Board an update on Invest NI's meetings with the Business Alliance regarding corporate planning which he attended along with the Chief Executive.

He also gave the Board an update on work currently being undertaken by Oxford Economics in relation to Corporation Tax on behalf of the Economic Advisory Group.

The Chairman gave an overview of the planned Board March Workshop Session on Corporate Planning. All Board Members had received a copy of the Draft Northern Ireland Executive Economic Strategy. Board Members are to submit any comments to Damian McAuley prior to 24<sup>th</sup> February for inclusion in the Invest NI response.

Gerry Mc Ginn left the meeting at 3.35.

## **4. TRANSFORM PROGRAMME**

### **4.1 Update on Customer Base Project**

Carol Keery and Helen Kirkpatrick joined the meeting to ask the Board to note and endorse the proposed service delivery model in advance of submission to DETI and the Minister. They provided the Board with an overview of the Customer Base Model.

Frank Hewitt left the meeting at 3.55

Gerry McCormac and John Brady left the meeting at 4.00

A quorum was no longer present for a decision to be made at the Board Meeting regarding the Customer Base Proposal. A discussion ensued regarding the implications of the Customer Base Model for the organisation and how it will be implemented.

The Chairman, Bryan Keating, Alan Lennon, Ed Vernon and Mark Ennis all noted and endorsed the proposal subject to the inclusion of the following;

- The risks and implications to be clearly highlighted
- The cost neutral assumptions to be clarified

The proposal and presentation will be emailed to all Board Members to seek endorsement.

The Chairman thanked Carol and Helen for their presentation. Carol and Helen left the meeting.

Jeremy Fitch left the meeting at 4.15

## **7. AOB**

The Chairman asked if there was any other business. Ed Vernon highlighted the recent press coverage in the Andersonstown News. The media perception of Invest NI was discussed.

Tracy Meharg noted that there has been a rise of 76% business expenditure on R&D in Northern Ireland. Northern Ireland is now listed as 6<sup>th</sup> region for expenditure on R&D in the UK. 1% of Northern Ireland's GVA is now R&D.

## **8 DATE OF THE NEXT BOARD MEETING**

The next Board meeting will be held on Tuesday 22<sup>nd</sup> February 2011 in Invest NI Headquarters, 12.30 lunch for 13.00 start.

The Board Meeting ended at 4.30

**EIGHTY SECOND MEETING OF THE INVEST NORTHERN IRELAND BOARD  
ON 22<sup>ND</sup> FEBRUARY 2011**

**Present:**

Stephen Kingon (Chairman)

Bryan Keating (Deputy Chairman)

Alan Lennon

Frank Hewitt

David Dobbin

John Brady

Tim Brundle

Mark Ennis

Ed Vernon

**Minute Taker:** Margaret Sansome

**In Attendance:** Mel Chittock, Ian Murphy, Tracy Meharg, Damian McAuley, Charles Hamilton & Alison Gowdy

**1. APOLOGIES & DECLARATIONS OF INTEREST**

Professor Gerry McCormac, Gerry McGinn, Roy Adair, Alastair Hamilton & Jeremy Fitch offered their apologies for this Board meeting.

The Chairman asked Board Members to declare any conflicts of interest. There were no conflicts to note.

**2. MONTHLY REPORTING TO BOARD**

**2.1 MINUTES JANUARY MEETING**

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

**2.2 MATTERS ARISING**

The Chairman gave an overview of the Outstanding Actions Arising paper.

Damian McAuley has circulated the draft response to the Northern Ireland Executive Economic Strategy to all Board members. Congratulations were

extended to Damian and the wider team for producing a comprehensive well structured document. It was noted that it is a useful reference tool.

The Chairman circulated a tax paper to the Board which has been submitted to DETI in response to the Treasury Paper on tax. Any comments on the paper should be emailed to the Chairman.

### **2.3 CEO REPORT**

Members were asked to note the report. The Chair asked in the Chief Executive's absence that the relevant Managing Director answer any queries that members may have. The following queries were raised;

**Dong Energy** – Invest NI's involvement in this inward investment project was discussed. The Belfast Harbour Commission (BHC) is the lead on this project and no assistance has been offered by Invest NI. The investment is a great opportunity for Northern Ireland and there is the potential for follow on projects.

**Allen & Overy** – The recent media coverage and PR handling surrounding this project was discussed. John Simpson's Belfast Telegraph article to be circulated to the Board.

**Transform Programme** – The status of the Transform Programme was discussed. It was noted that the Minister has ultimate responsibility for the implementation of the IREP recommendations. Alison Gowdy to provide a detailed overview of progress on the Transform Programme under agenda item 4.2.

### **2.4 FINANCE REPORT TO THE BOARD**

Mel Chittock gave an overview of the finance report and an update on the latest position including commentary on the 2010/11 financial performance year to date. Specific attention was drawn to the amount to be accrued to the end of

March and the level of activity forecast. The position is being closely monitored to ensure that targets are met.

Mel also provided the Board with an update regarding the ERDF position which includes the BITP exercise currently being undertaken. This will be discussed further at the March Board Audit Committee.

The measurement of success versus the efficiency of spend was discussed by the Board. The discussion focussed on the Transform Organisational Design Work Stream, Programme Evaluations, processes and procedures. Measures need to be developed to monitor efficiency and effectiveness across the organisation. MC to consider as part of the wider reporting framework.

## **2.5. MARKETING AND COMMUNICATIONS REPORT TO THE BOARD**

Members were asked to note this report.

The positive feedback regarding the German Ambassador's visit was noted by the Board. The tremendous work undertaken to make the visit successful by Grainne McVeigh and Bill Montgomery and the wider team was noted by the Board.

The high performance of nibusinessinfo.com team was also noted by the Board. A discussion ensued regarding Invest NI's use of social media. It was noted that Invest NI's digital media strategy is being reviewed in tandem with the Transform customer base project.

The Start a Business programme was also discussed.

It was also noted that an information letter regarding the changes to audit certificate requirements when submitting a claim has been issued to all stakeholders as well as all clients with a "live" letter of offer.

## **2.6 CASEWORK REPORT TO THE BOARD**

Members were asked to note this Report.

The retrospective approval of cases/amendments was discussed. The Board registered their concern in being asked to do this. The discussion focussed on the issue of materiality and use of generic letters of offer. TMT are currently looking at the issue of materiality and guidelines are currently being reviewed, once finalised they will be circulated to the Board.

## **3. CHAIRMAN'S BUSINESS**

### **3.1 Departmental Audit Committee Update**

Mel Chittock gave an update on the main issues discussed at the Departmental Audit Committee including the EU Commission Article 16 Management Authority Report along with the actions being undertaken.

Mel also informed the Board of a PwC Audit Training Session which has been arranged for 22<sup>nd</sup> March 2011. All Board Members are welcome to attend.

### **3.2 Chairman's Update**

The Chairman gave the Board an update on his recent discussions with PwC and the Northern Ireland Audit Office (NIAO) in relation to the draft NIAO Review of Invest NI, including the Benchmarking Report. The results of the current 3 year Corporate Plan are to be included in the findings. A revised draft report is scheduled for March.

The Chairman also provided the Board with an update regarding the Economic Advisory Group's meeting with the Minister regarding the Executive's draft Economic Strategy and Programme for Government targets going forward.

## **4. TRANSFORM PROGRAMME**

### **4.1 Vision & Values**

Kevin McCann joined the meeting and gave the Board an update on the Vision and Values Transform work stream.

A copy of the Values and Behaviours Framework was distributed to the Board.

The Board provided feedback on the framework, specifically in relation to the terminology used. The framework will be built into the performance management system going forward. The framework should be viewed as a “living” document which will evolve with time. Once the Framework has been communicated to the whole organisation it was recommended that it should be published on the Invest NI Website.

The Board congratulated Kevin and the wider Transform team on the excellent output and delivery of this project. Kevin left the meeting.

### **4.2 Transform Programme Update**

Alison Gowdy gave the Board an update on the Transform programme to date. The update focussed on the key achievements to date and the next steps. A discussion ensued regarding the delivery of the programme and how the recommendations will be implemented. The relationship between the operating model and corporate planning was also raised. This will be discussed further at the March Corporate Planning Session.

It was noted that the Minister is due to release an IREP progress statement by the end of March.

Alison Gowdy to provide Board with a summary update of progress to date.

**7. AOB**

The Chairman asked if there was any other business. No further business was raised.

**8 DATE OF THE NEXT BOARD MEETING**

The next Board meeting will be held on Wednesday 23<sup>rd</sup> March 2011 in Invest NI Headquarters, the meeting will commence with a corporate planning session 09.30. There will be a Non Executive Session directly prior to the Board Meeting. The Board Meeting will commence at 13.30.

The Board Meeting ended at 15.28

**EIGHTY THIRD MEETING OF THE INVEST NORTHERN IRELAND BOARD  
ON 23<sup>RD</sup> MARCH 2011**

**Present:**

Stephen Kingon (Chairman)	Alan Lennon
Gerry McGinn	Tim Brundle
Roy Adair	Ed Vernon
Gerry McCormac	

**Minute Taker:** Margaret Sansome

**In Attendance:** Alastair Hamilton , Mel Chittock, Ian Murphy, Jeremy Fitch, Damian McAuley, Charles Hamilton & Alison Gowdy

**1. APOLOGIES & DECLARATIONS OF INTEREST**

Bryan Keating (Deputy Chairman), John Brady, Frank Hewitt, David Dobbin, Mark Ennis, & Tracy Meharg offered their apologies for this Board meeting.

The Chairman asked Board Members to declare any conflicts of interest. Roy Adair indicated a potential conflict of interest if the Northern Ireland Composites and Engineering Centre or the Titanic Quarter were discussed under agenda item 2.3.

**2. MONTHLY REPORTING TO BOARD**

**2.1 MINUTES FEBRUARY BOARD MEETING**

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

**2.2 MATTERS ARISING**

The Chairman gave an overview of the Outstanding Actions Arising paper.

Mel Chittock to arrange a meeting with Alan Lennon to discuss efficiency versus spend measures in relation to the wider reporting framework. Action Mel Chittock

## **2.3 CEO REPORT**

The Chief Executive gave an overview of the CEO report to the Board and brought the following matters to the Board's attention;

**Wider Customer Base Proposal** – The proposal has been approved by the Minister. Implementation will commence as part of phase two of the Transform Work Programme. It will also be included as a measure on the Corporate Business Scorecard.

**Northern Ireland Audit Office (NIAO) Review of Invest NI, including the Benchmarking Report** – The Chief Executive gave the Board an update regarding the status of this report. The Chief Executive and Chairman have had a number of meetings with NIAO and PWC in relation to the content of the report. NIAO had given assurances that the review would focus on the current 3 year corporate plan; however they have now stated that due to benchmarking information not being available this has not been possible and the report may focus on the previous Corporate Plan as did IREP. NIAO have indicated that Invest NI can insert narrative regarding the current Corporate Plan period. It was noted that value for money of undertaking this report was questioned at inception by the Board. Mel Chittock and Damian McAuley were scheduled to meet the NIAO team and would report back to the Board.

**Air Passenger Duty** – The impact of the proposed increase to air passenger duty was discussed by the Board.

**Titanic Quarter Paint Hall Project** – Roy Adair left the room at 15.10. The Board discussed the current budgetary issues surrounding the building of a second Paint Hall at the Titanic Quarter. Roy Adair rejoined the meeting at 15.15

**Music Strategy** – The economic potential of a music strategy for Northern Ireland was discussed, this will form part of the wider creative industries strategy.

Action: Ian Murphy to forward a copy of the creative industries strategy to Tim Brundle.

**Land Acquisition and Development Strategy** - It was noted that the purchase of land at Strabane concluded the last obligation of the land acquisition strategy under the previous Corporate Plan. The development of Strabane will now commence in the new financial year.

**Transform** – Progress to date and Phase Two of the Transform Programme were discussed.

## **2.4 FINANCE REPORT TO THE BOARD**

Mel Chittock gave an overview of the finance report and an update on the latest position including commentary on the 2010/11 financial performance year to date. Specific attention was drawn to the amount to be accrued at the end of March and the level of activity forecast. The position is being closely monitored to ensure that targets are met. Mel also provided the Board with an update regarding the comprehensive spending review and the final budget allocations.

Mel then provided the Board with the key headlines from the March 2011 Chancellor's Budget.

Corporation Tax was also discussed.

## **2.5. MARKETING AND COMMUNICATIONS REPORT TO THE BOARD**

Members were asked to note this report.

Purdah will commence on 24<sup>th</sup> March 2011 and while needing to be mindful of political implications this should not affect day to day announcements/press releases of supported activity.

The annual satisfaction survey is currently being drafted and a stakeholder survey is also currently being undertaken.

Work on a minor refresh of the Invest NI website has commenced and the digital communications strategy is currently being reviewed, which includes social media targets.

## **2.6 CASEWORK REPORT TO THE BOARD**

Members were asked to note this Report.

## **3. CHAIRMAN'S BUSINESS**

### **3.1 Board Audit Committee Update**

Gerry McGinn gave an update on the main issues discussed at the Board Audit Committee (BAC).

PWC gave a "Risking it All" seminar to the Board on Tuesday 22<sup>nd</sup> March, this workshop focussed on the format of minutes, the role of a Board, a "group think" mentality and the lack of challenge function.

Following the seminar, BAC met and discussions included ERDF budgetary management and claiming requirements under EU Regulations, External Delivery Organisations, the NIAO Audit Strategy in respect of the year end accounts, the potential implications of the UK Bribery Act and the lessons learned from Public Accounts Committees (PACs). The final Memorandum of Reply to PACs is to be circulated to the Board going forward.

The format of casework minutes was also discussed. It was agreed that the minutes need to accurately reflect the discussion which took place. The turnaround times of minutes also needs to be clarified. Damian McAuley to consider the casework minutes process. Action: Damian McAuley

The Internal Audit Service (IAS) draft strategy was also discussed at BAC, the management of risk and the risk register will be discussed in depth at the next BAC in May 2011.

The BAC will also be undertaking a self assessment exercise, annually, starting May 2011.

### **3.2 Chairman's Update**

The Chairman gave the Board an update on his recent discussions with the Department regarding the Transform Programme. The Chairman also provided the Board with an update regarding his recent meeting with Ilex, which focussed on wider sub-regional activity.

The Chairman noted that the recent On Board Training session which himself and Mark Ennis attended was a beneficial refresher session from a corporate governance perspective.

## **7. AOB**

The Chairman reminded all Board Members that the Register of Interests in respect of the year end accounts has been circulated. Returns are due no later than Friday 08<sup>th</sup> April 2011.

The Chairman asked if there was any other business. No further business was raised.

## **8 DATE OF THE NEXT BOARD MEETING**

The next Board meeting will be held on Wednesday 20<sup>th</sup> April 2011 in Invest NI Headquarters.

The Board Meeting ended at 16.10

**EIGHTY FOURTH MEETING OF THE INVEST NORTHERN IRELAND BOARD  
ON 20<sup>TH</sup> APRIL 2011**

**Present:**

Stephen Kingon (Chairman)

Bryan Keating (Deputy Chairman)

Alan Lennon

Frank Hewitt

Gerry McGinn

John Brady

Mark Ennis

David Dobbin

Gerry McCormac

**Minute Taker:** Margaret Sansome

**In Attendance:** Alastair Hamilton, Mel Chittock, Ian Murphy, Tracy Meharg, Damian McAuley & Charles Hamilton.

The Board Meeting commenced at 13.15.

**1. APOLOGIES & DECLARATIONS OF INTEREST**

Ed Vernon, Tim Brundle, Roy Adair, Jeremy Fitch and Alison Gowdy offered their apologies for this Board meeting.

The Chairman asked Board Members to declare any conflicts of interest. There were no conflicts to note.

**2. MONTHLY REPORTING TO BOARD**

**2.1 MINUTES MARCH BOARD MEETING**

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

**2.2 MATTERS ARISING**

The Chairman gave an overview of the Outstanding Actions Arising paper.

Gerry McCormac joined the meeting at 13.20 and John Brady joined the meeting at 13.25.

### **2.3 CEO REPORT**

The Chief Executive gave an overview of the CEO report to the Board and brought the following matters to the Board's attention;

**KPIs** – The Chief Executive gave the Board an update on the performance against target in relation to the 2007 - 2011 corporate plan period. Congratulations were extended to all staff for meeting and exceeding the targets set. The Chief Executive also provided the Board with the timelines for the publication of the Annual Reports and Accounts.

Summary of achievements 2007 – 2011 document to be circulated to the Board.

#### **Action Mel Chittock**

**Fund of Funds**– The tender exercise in relation to the Co Investment Fund and the Development Fund has now closed and contractors will be appointed shortly. The last element the Loan Fund is currently undergoing economic appraisal and an update will be provided at the next Board meeting. A discussion ensued regarding micro finance and the role of Banks.

**Communications Update** – It was noted that Jim Fitzpatrick has been appointed as BBC NI's Economic Editor. The Chief Executive also gave the Board an update on the annual Customer Satisfaction Survey. Customer satisfaction has increased from 62% to 64% and customer dissatisfaction has decreased from 15% to 12%. An action plan will be developed to further improve customer satisfaction. The Chief Executive also provided the Board with an update on the draft stakeholder survey.

It was noted that the annual Staff Conference will take place on Monday 23<sup>rd</sup> May 2011 an invitation was extended to all Board Members. The Belfast City Hall has

been chosen as the venue, details of the conference will be circulated to the Board. **Action Margaret Sansome**

## **2.4 FINANCE REPORT TO THE BOARD**

Mel Chittock gave an overview of the finance report and an update on the latest position including commentary on the 2010/11 financial performance. The outturn position is being closely monitored to ensure that targets are met. The accrual cut off date was 15<sup>th</sup> April 2011, the closing accrual amount is circa £56m which is double last year's figure. The claims team are currently working through these. A discussion ensued regarding budget profiling, allocation of budgets for 2011/2012 financial year and the need to strengthen the work in progress pipeline.

An overview of budget allocations and budget profile to be provided at the May Board meeting. **Action Mel Chittock**

## **2.5. MARKETING AND COMMUNICATIONS REPORT TO THE BOARD**

Members were asked to note this report.

The impact of Purdah on press releases and announcements was discussed.

## **2.6 CASEWORK REPORT TO THE BOARD**

Members were asked to note this Report. A discussion ensued regarding work in progress.

## **3. CHAIRMAN'S BUSINESS**

### **3.1 Board Audit Committee Minutes of March Board Meeting**

Gerry McGinn gave an overview on the main points to note within the minutes of the March Board Audit Committee (BAC). The final format of BAC minutes is still to be agreed. Discussions included, Risk Management and the Risk Register, ERDF budgetary management and claiming requirements under EU Regulations,

External Delivery Organisations, Public Accounts Committee (PAC) and the Internal Audit Service (IAS) draft strategy.

The lack of a strategic alignment between NI-CO and Invest NI was also discussed. It was agreed that the Chairman would raise this issue at the DETI Debrief meeting on Thursday 21<sup>st</sup> April 2011.

### **3.2 Bribery Act Summary**

Damian McAuley provided the Board with an overview of the potential implications of the Bribery Act which will come in to force on 1<sup>st</sup> July 2011, with a three month period between the publication of the guidance and the commencement of the Act. An internal working group has been set up to consider the impact of the Act for Invest NI. A discussion ensued regarding the impact of the act. It was agreed that the guidance should be signposted to all companies and that a link to the guidance has been added to [www.nibusinessinfo.co.uk](http://www.nibusinessinfo.co.uk).

The Bribery Act Working Group to provide an update at the May Board meeting.

#### **Action Damian McAuley**

### **3.3 Chairman's Update**

The Chairman gave the Board an update on his recent discussions with the Department regarding IREP and year end flexibility. The Chairman also provided the Board with an update regarding the Economic Advisory Group and the Corporation Tax consultation document. The Chairman asked the Board to consider the draft consultation and forward feedback to Damian McAuley who will provide a summary paper for the May Board meeting.

## **4. CORPORATE PLANNING**

### **4.1 Transform Next Steps**

The Chief Executive gave the Board an update on the Transform Programme and how it fits with the current corporate planning.

## **4.2 Corporate Plan**

The Chief Executive provided the Board with an overview of a number of political party manifestos and how these align to the six broad themes outlined in the draft Northern Ireland Economic Strategy. He then presented the current corporate plan draft framework to the Board. Reporting targets are being developed and these will be mapped against budget allocations. A discussion ensued which focused on;

- The measurement of the impact of interventions;
- The allocation of Budget across the organisation;
- The importance of encouraging Exporting, and driving Exporting as a strategy;
- Scaling;
- The use of supply chains to enable business growth;
- The need to prioritise our efforts;
- The ability to be reactive to any changes presented by a new Executive;
- Emerging political trends;
- The need for continued strategic discussion with DEL and other business partners;
- Education and the increasing trend of Arts as a key subject STEAM rather than STEM;
- Sectoral focus and business opportunities within the creative industries and legal services sectors;
- The need to differentiate Invest NI's offering from other Economic Development Agencies; and
- How to be more innovative as an organisation

The Board congratulated the team on a clear well presented framework. A draft plan will be presented to the Board for consideration in due course.

## **5 AOB**

The Chairman gave the Board an update on the recent film activity supported by the Northern Ireland Screen Fund and Invest NI. It was also noted that Michelle McBride will be returning from maternity leave in May and will resume her role as PA to the Chairman and the Board. The Chairman and wider Board extended their thanks to Margaret Sansome who covered the post in Michelle's absence.

The Chairman asked if there was any other business. No further business was raised.

## **6 DATE OF THE NEXT BOARD MEETING**

The next Board meeting will be held on Tuesday 24<sup>th</sup> May 2011 in the North West region at the Beech Hill Country House Hotel.

The Board Meeting ended at 16.15

**EIGHTY FIFTH MEETING OF THE INVEST NORTHERN IRELAND BOARD ON  
24<sup>TH</sup> MAY 2011**

**Present:**

Stephen Kingon (Chairman)

Bryan Keating (Deputy Chairman)

Alan Lennon

Frank Hewitt

Gerry McGinn

John Brady

Mark Ennis

Ed Vernon

Gerry McCormac

**Minute Taker:** Margaret Sansome

**In Attendance:** Alastair Hamilton, Mel Chittock, Ian Murphy, Tracy Meharg, Jeremy Fitch, Alison Gowdy & Charles Hamilton.

The Board Meeting commenced at 15.20.

**1. APOLOGIES & DECLARATIONS OF INTEREST**

David Dobbin, Roy Adair, Tim Brundle & Damian McAuley offered their apologies for this Board meeting.

Tim Brundle joined the closed session on Organisation Design by conference call

The Chairman asked Board Members to declare any conflicts of interest. There were no conflicts to note.

**2. MONTHLY REPORTING TO BOARD**

**2.1 MINUTES APRIL BOARD MEETING**

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

**2.2 MATTERS ARISING**

The Chairman gave an overview of the Outstanding Actions Arising paper.

The Chairman congratulated TMT and all staff involved in organising the Staff Conference, noting that it was a well organised and targeted event.

### **2.3 CEO REPORT**

The Chief Executive gave an overview of the CEO report to the Board and brought the following matters to the Board's attention;

**Company News** – The Chief Executive provided the Board with an update on his recent meeting with Liberty Mutual who have recently acquired Quinn Insurance. Toughglass IG (NI) Ltd and the Red Sky Group were also discussed by the Board.

**Declan Kelly** – Declan Kelly has resigned from his role as US Economic Envoy in Northern Ireland. The positive relationships he has built and work he has done on behalf of Northern Ireland was highly commended by the Chief Executive and the Board.

**Corporate Plan** – An update on the Corporate Planning process and its alignment with the Executive Strategy was provided. Tracy Meharg and Mel Chittock are leading a working group tasked with the developing the plan. It was noted that the Department are receptive to the approach being taken.

**Transform** – TMT attended a recent meeting with Bombardier to discuss their Transform Programme. It was noted that this meeting was extremely beneficial and a useful benchmarking opportunity.

It was also noted that the Appraisal Methodology has now been approved by the Department of Finance & Personnel.

**WIP** – Work in Progress and the FDI Pipeline was discussed and focused on marketing activity being undertaken to increase awareness of programmes and

funding, budget planning and engagement with business bodies/key influencers to encourage uptake of assistance/programme offerings.

## **2.4 FINANCE REPORT TO THE BOARD**

Mel Chittock gave an overview of the finance report and an update on the latest position including commentary on the 2010/11 financial performance. The budget allocations for 2011/12 were also presented to the Board. A discussion ensued regarding budget profiling and allocation of budgets for 2011/2012 financial year.

## **2.5. MARKETING AND COMMUNICATIONS REPORT TO THE BOARD**

Members were asked to note this report.

Trade Missions and the implications of the Bribery Act were discussed by the Board.

Tracy Meharg to forward export data on Germany to Frank Hewitt.

## **2.6 CASEWORK REPORT TO THE BOARD**

Members were asked to note this Report.

## **3. CHAIRMAN'S BUSINESS**

### **3.1 Corporation Tax**

Jeremy Fitch provided the Board with an overview of Invest NI's draft response to the Treasury Report for Consultation on Corporation Tax. The response is due by Monday 20<sup>th</sup> June. Any comments/input to the response should be forwarded to Jeremy for inclusion. A covering letter will accompany the response that outlines the benefits of various tax varying powers rather than solely a reduction in the Corporation Tax rate. Companies have also been encouraged to respond to the draft consultation document. Invest NI's strong relationship with UKTI was also discussed.

It was noted that Minister Foster and Graeme Hutchinson, DETI, will attend a Treasury Meeting in London on 08<sup>th</sup> June regarding Corporation Tax.

### **3.2 Bribery Act Working Group Summary**

Mel Chittock provided the Board with an update on the activity of the Bribery Act Working Group. The following steps have been taken;

- The Ministry of Justice Guidance is currently being reviewed by SMP and Invest NI Guidance will be based on this;
- A link to the guidance has been added to [www.nibusinessinfo.co.uk](http://www.nibusinessinfo.co.uk);
- Online training module on the Act is being developed and will be rolled out across the organisation;
- Letters of Offers clauses are being reviewed and a clause will be added to Letters of Offers as necessary;
- NI-CO and all External Delivery Organisations have been sent an awareness letter regarding the implications of the Act; and
- The Bribery Act will be built into awareness briefings prior to Trade Missions.

A discussion ensued regarding the impact of the Act on Invest NI.

### **3.3 Chairman's Update**

Gerry McGinn provided the Board with the main items discussed at the Board Audit Committee (BAC) on Monday 23<sup>rd</sup> May. These included;

- A BAC self assessment will be carried out by committee members which will take place in September,
- The revised Risk Register format, the high quality of work by Mel Chittock and Aine Gallagher was noted;
- An update on ERDF funding and potential impact on the annual accounts;
- The Interim Audit Report for those Charged with Governance;
- The NIAO Strategic Review of Invest NI, this was discussed by the Board, it was noted that the value for money of undertaking this report was

questioned at inception and that the 2008-2011 Corporate Plan results will not be benchmarked against other agencies. The report will focus on the previous Corporate Plan as did IREP.

**ACTION:** The Chairman and Chief Executive to seek advice from DETI regarding the content of NIAO's Strategic Review of Invest NI.

### **3.4 Organisation Design**

This was a closed session for Board and TMT at the end of the Board Meeting.

## **4 AOB**

The Chairman asked if there was any other business. No further business was raised.

## **5 DATE OF THE NEXT BOARD MEETING**

The next Board meeting will be held on Tuesday 21<sup>st</sup> June 2011 at Invest NI Headquarters, Bedford Street, Belfast.

The Board Meeting ended at 18:10

**EIGHTYSIXTH MEETING OF THE INVEST NORTHERN IRELAND BOARD ON  
21<sup>ST</sup> JUNE 2011**

**Present:**

Stephen Kingon (Chairman)	Frank Hewitt
Gerry McGinn	Mark Ennis
Ed Vernon	Tim Brundle

**Minute Taker:** Margaret Sansome

**In Attendance:** Alastair Hamilton, Mel Chittock, Ian Murphy, Jeremy Fitch, Alison Gowdy, Damian McAuley & Charles Hamilton.

**1. APOLOGIES & DECLARATIONS OF INTEREST**

Bryan Keating, John Brady, Alan Lennon, Gerry McCormac, David Dobbin, Roy Adair and Tracy Meharg offered their apologies for this Board meeting.

Roy Adair joined the meeting by telephone call for agenda item 3.1 Signing of Annual Accounts.

Jeremy Fitch joined the meeting at 14.40

The Chairman asked Board Members to declare any conflicts of interest. There were no conflicts to note.

**2. MONTHLY REPORTING TO BOARD**

**2.1 MINUTES MAY BOARD MEETING**

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

**2.2 MATTERS ARISING**

The Chairman gave an overview of the Outstanding Actions Arising paper.

The quality of export data provided by Tracy Meharg on the German market was noted by the Board.

The Chairman gave an update on his discussion with DETI regarding the NIAO Strategic Review of Invest NI. The report is likely to be published in September.

The Invest NI Annual Report and Accounts will be in the public domain once laid before the Assembly in July. The positive results of 2010/2011 financial year were noted by the Board. The Chief Executive provided the Board with an overview of the communication plan surrounding the year end results.

### **2.3 CEO REPORT**

The Chief Executive gave an overview of the CEO report to the Board and brought the following matters to the Board's attention;

**House of Lords Lunch Hosted by Lord Ballyedmond** – The Chief Executive noted that this was an excellent event which provided an opportunity to promote Trade, Investment and Tourism to the key influencers in the Latin American Market. The Board extended their thanks to Lord Ballyedmond for hosting this event.

**Transform** – The current focus of the Transform Programme is Organisation Design. The Chief Executive provided the Board with an update regarding the communication sessions with staff that have taken place. Feedback has been generally positive regarding the proposed framework. All staff have been encouraged to raise any queries they may have. The timeline for implementation was discussed by the Board.

**WIP** – The downturn in WIP was discussed by the Board. This is due to various factors, including year-end budgetary management and the need to re-communicate our product offering both to staff and the customer base. The Chief Executive briefed the Board on the steps being taken to address this.

**Risk Management** – It was noted that a copy of the NIAO Good Practice in Risk Management which contained a number of positive Invest NI Case Studies, had been circulated to the Board.

**Venture Capital** – The recent media and political interest regarding Invest NI funding of Venture Capital was discussed by the Board. The need to raise awareness of Invest NI activity within this area was noted.

**Forward View** – The Chief Executive informed the Board that he will participate on an inward visit programme on Wednesday 22<sup>nd</sup> June 2011. The programme includes a Roundtable Discussion and Mark Ennis will also be in attendance. The session will primarily focus on Investment & Trade issues and Northern Ireland's Renewables Strategy.

The Chief Executive also informed the Board that he will be attending the Taiwanese Business Networking Dinner, co-organised with the Taiwan Trade Centre London and Taiwan Chamber of Commerce. This will be a useful opportunity to promote Northern Ireland's proposition. He also provided the Board with an outline of the Minister's Visit Programme for 2011.

**Visit of the Chief Executive of the Medical Research Council** – The opportunities within this sector were discussed by the Board.

## **2.4 FINANCE REPORT TO THE BOARD**

Mel Chittock gave an overview of the finance report and an update on the latest position. Budget allocations for 2011/2012 are being finalised, the allocations will be presented at the next Board Meeting. A request to increase the capital receipts budget by £2m, from £4m to £6m, was submitted in the June Monitoring Round. A discussion ensued regarding the receipts position, land sales, the year-end accrual position and budget flexibility.

## **2.5. MARKETING AND COMMUNICATIONS REPORT TO THE BOARD**

Members were asked to note this report.

The opportunities emanating from London 2012 were discussed by the Board. These have been mainly supply chain opportunities; little direct business has been won outside the South East Region of the UK.

Invest NI's involvement in the potential investment project Global Pharmaceutical Centre of Excellence (GPCE) was also discussed. The investor is currently looking at the North West region as a possible location as well as Tralee, County Kerry. Frank Hewitt stated that the Northern Ireland Science Park would be happy to offer their services if required. Tim Brundle indicated that the Universities are also happy to offer support if required.

**Action** Ian Murphy to liaise with Frank & Tim regarding the potential GPCE project

## **2.6 CASEWORK REPORT TO THE BOARD**

Members were asked to note this Report.

**Action** – Going forward projects that have been rejected should also be included in Casework Report to Board.

## **3 ITEMS FOR DECISION**

### **3.1 Signing of Annual Accounts**

Roy Adair joined the meeting by conference call for this item.

The Chairman welcomed Michelle McLoughlin and Brian Dolaghan to the meeting to seek full Board approval for the signing of the Annual Report and Accounts. The accounts were endorsed by the Board Audit Committee on Friday

17<sup>th</sup> June 2011. The Board were provided with a copy of the minutes from the meeting held on 17<sup>th</sup> June.

A discussion ensued regarding the positive outturn, the Land and Property Services (LPS) Risk and the governance arrangements in relation to NI-CO.

The governance arrangements within NI-CO do not fall within Invest NI's remit as the Permanent Secretary is the Accounting Officer. The misalignment of NI-CO and Invest NI was discussed specifically in relation to the disconnect regarding oversight and control. The Board noted this risk.

The letter of representation for Accounting Officer sign off was also discussed by the Board. The following areas will be added to the Letter of Representation for Accounting Officer sign off;

- External Delivery Organisations;
- Consultancy Costs;
- Chief's Executive Contract of Employment.

A discussion ensued regarding the Chief's Executive Contract of Employment paragraph as the Board have ultimate responsibility of providing an assessment of the Chief Executive's performance and subsequent remuneration recommendations to the Department for Ministerial approval.

The Chief Executive confirmed that he was content to sign the letter of representation. It was recommended that a cover letter should be included with the accounts stating that the Board is also content with the letter of representation. **Action Brian Dolaghan**

The Board formally approved the accounts and congratulated the Chief Executive and the wider team on the high quality production of the accounts and the year end results. Particular thanks were extended to Brian Dolaghan, Michelle McLoughlin and the wider Finance Team for their efforts and high quality of work.

## **4 ITEMS FOR DISCUSSION**

### **4.1 Loan Fund Update**

William McCulla, Helen Kirkpatrick and Sinead Magee joined the meeting to provide the Board with a Loan Fund update. A discussion ensued which focussed on;

- Recent Media coverage of Venture Capital funds;
- Subordination agreements;
- Lack of awareness regarding the operation of Loan Funds and need for a communications plan and the benefit of using case studies to get key messages across;
- Market failure;
- The risk to public money;
- The management capital of those organisations charged with running the funds
- Micro Finance; and
- The social and economic demand for loan funds

The Chair thanked the team for the update and noted that approvals to move forward are in place.

### **4.2 Board Audit Committee Minutes**

Members were asked to note this Report.

### **4.3 Revised Risk Register Format**

Mel Chittock gave the Board an overview of why it was decided to revise the Risk Register format, the current document is not a “living” document and is not embedded fully within the organisation. Aine Gallagher joined the meeting to present this item. The main points to note are;

- The review of the register included looking at other organisation’s frameworks;

- Risks will now be broken into four main quadrants, Financial Risks, Infrastructure Risks, Operating Risks and Reputational Risks which will have both internal and external drivers;
- The new format will attempt to identify the organisation's "risk appetite" against each major risk category. Once the format has been finalised it will be rolled out and embedded within the organisation, with training as appropriate;
- It is important that risks are identified and managed across the organisation with individual owners of risks identified as this will provide the Accounting Officer with a high level of assurance.

A discussion ensued regarding the "risk appetite" of the organisation, how risks will be escalated, the identifying of risks, the impact and likelihood of risks and the need to get the balance correct.

The next stage of the process will be the population of the framework. This will provide a good opportunity for organisational wide staff involvement. Buy in from staff will be essential to ensure the risk framework is embedded within the organisation. It was reiterated that it needs to be a "living document" and not merely a box ticking exercise.

**Action** – The Risk Register Format to be brought back to Board once it has been populated.

The Board thanked Aine on a well structured and detailed piece of work.

#### **4.4 Chairman' Update**

The Chairman provided the Board with an update on his recent meeting with Almac which the Chief Executive also attended.

#### **5 AOB**

The Chair asked members if anyone was available to sit on the Carbon Trust Casework Committee. Mark Ennis and Tim Brundle agreed to sit on this casework and it has been scheduled for Friday 24<sup>th</sup> June @ 12.00.

The Chairman asked if there was any other business. The Board noted Rory McIlroy's success at The US Open and acknowledged the positive impact for Northern Ireland.

## **6 DATE OF THE NEXT BOARD MEETING**

The next Board meeting will be held on Wednesday 24<sup>th</sup> August 2011 at Invest NI Headquarters, Bedford Street, Belfast. The September Board Meeting will be held in the Southern Region, timings and location to be confirmed.

The Board Meeting ended at 15.45.

**EIGHTYSIXTH MEETING OF THE INVEST NORTHERN IRELAND BOARD ON  
24<sup>th</sup> AUGUST 2011**

**Present:**

Stephen Kingon (Chairman)	Bryan Keating
Roy Adair	Alan Lennon
Gerry McGinn	Mark Ennis
Ed Vernon	Tim Brundle
John Brady	Gerry McCormac
David Dobbin	

**Minute Taker:** Margaret Sansome

**In Attendance:** Alastair Hamilton, Tracy Meharg, Mel Chittock, Jeremy Fitch, Alison Gowdy, Damian McAuley & Michelle McBride

**1. APOLOGIES & DECLARATIONS OF INTEREST**

Frank Hewitt, Ian Murphy and Charles Hamilton offered their apologies for this Board meeting. The Chairman welcomed Michelle McBride back from maternity leave and thanked Margaret Sansome for covering the role in the interim.

David Dobbin joined the meeting at 13.55.

The Chairman asked Board Members to declare any conflicts of interest. Roy Adair stated he may have a potential conflict if the Titanic Studio was discussed and Alan Lennon stated that he may have a potential conflict if Munster Simms was discussed.

**2. MONTHLY REPORTING TO BOARD**

**2.1 MINUTES JUNE BOARD MEETING**

The minutes of the June Board meeting were agreed as a true record of that meeting. One amendment to be made to action point 4 on the matters arising table. **Action: Margaret Sansome**

## 2.2 MATTERS ARISING

The Chairman gave an overview of the Outstanding Actions Arising paper.

An update was provided on Venture Capital and Invest NI's activity in this area.

The governance arrangements surrounding NI-CO was discussed by the Board. It was noted that this issue was raised at the June Departmental Audit Committee.

### **Actions:**

- Misalignment of NI-CO to be added as an agenda item for next Oversight & Liaison meeting. **Action: Damian McAuley**
- Chairman to raise the misalignment of Invest NI and NI-CO with the Department. **Action: Chairman**

## 2.3 CEO REPORT

The Chief Executive gave an overview of the CEO report to the Board and brought the following matters to the Board's attention;

**Corporate Scorecard** – the Board will now receive the key headline figures going forward in a scorecard format. The previous figures focused solely on performance, the scorecard is split into four quadrants, performance, people, customer/stakeholder and business processes. It was noted that the scorecard presents the targets which have a strategic focus on organisation delivery all other targets are incorporated within the operating plan.

**Connected Health Leadership Summit** – The Chief Executive gave update of the ongoing activity in this area.

**Transform Programme** – The Board was provided with an update on the organisational design work stream and the current recruitment exercise in respect of the Executive Leadership Team.

Discussions are underway with DETI about the IREP recommendation on the location of the Invest NI Tourism function.

**North West Region** – The recent press coverage regarding job creation in the North West in comparison to other areas of Northern Ireland was discussed by the Board. The Chief Executive also provided the Board with an update on the Global Pharmaceutical Centre of Excellence (GPCE) potential investment project and confirmed that the investor is no longer considering the North West as a location.

**Strategic Look Forward** – The Chief Executive provided the Board with an update on OFM/dFM and the Enterprise Minister’s forward visit programmes to America and Canada respectively.

## **2.4 FINANCE REPORT TO THE BOARD**

Mel Chittock gave an overview of the finance report and an update on the latest position. An update was provided on the ERDF compliance exercise. It was noted that significant progress has been made in this area and that we currently have £22.5m of “clean” expenditure against a target of £18.3m. The Audit Authority has confirmed an error rate of 0.58% for Invest NI, which is a positive outcome.

It was noted that circa £19m will be surrendered in the October Monitoring Round. In addition further receipts of circa £3m to £4m were likely following the recent approved acquisition of Autonomy by HP and further grant clawback cases. A discussion ensued regarding the receipts position, land sales, budget flexibility and the impact of brought forward commitments and work in progress year to date. While recognising the need to return monies to the Bloc as early as

possible nevertheless the Board were concerned that every effort was made to utilize the resources in economic development.

The Chairman provided the Board with an update on the Economic Summit held by the Finance Minister Sammy Wilson. Following on from this meeting the Department has asked Invest NI to identify the need and quantify the level of demand for safeguarding employment and the budgetary implications of this.

The Chief Executive informed the Board of the activity either underway or being considered in response to the current economic environment.

The Chairman invited comments/suggestions from the Board. A discussion ensued which focused on;

- The Banking sector;
- The availability of equity;
- Companies facing insolvency/administration where there is still a core viable business;
- Funding & liquidity;
- The potential of Invest NI to become a “lender of last resort”;
- Buying time and restructuring assistance;
- The Canadian Development Bank Model;
- The safeguarding of jobs;
- The implications of a wider customer base for Invest NI and the need to manage expectations;
- There is no “quick fix”;
- The necessity to ensure there is a need for intervention and the importance of measurable data;
- Possible new policy interventions and the need to comply with EU regulations; and
- The internal resources required to implement such initiatives.

It was agreed that the diagnostic initiative following the previous “credit crunch” was beneficial to companies and this could be a useful tool going forward to aid companies with their strategic focus. Early liaison with insolvency practices would also be beneficial to ensure companies with liquidity issues could benefit with advice and support from Invest NI at an early stage.

The Chairman and Chief Executive will meet with the Permanent Secretary on 09<sup>th</sup> September to follow up on the Economic Summit held by the Finance Minister.

**Action:** Feedback will be provided at the next Board meeting.

## **2.5. MARKETING AND COMMUNICATIONS REPORT TO THE BOARD**

Members were asked to note this report.

## **2.6 CASEWORK REPORT TO THE BOARD**

Members were asked to note this Report.

## **3 ITEMS FOR DISCUSSION**

### **3.1 Chairman’ Update**

The Chairman provided the Board with an update on the end of year results briefings with the media, Business Alliance and ETI Committee.

## **4 AOB**

The Chairman informed the Board that year-end assessments are now due and these should be countersigned and returned to Michelle McBride as a matter of urgency.

The Chairman reminded the Board of the Trade and FDI Stakeholder Reception on Monday 12<sup>th</sup> September between 17.00 & 19.00 at Invest NI HQ.

Alan Lennon, Roy Adair and Tim Brundle requested a copy of the DETI Organisation Structure slides. **Action:** The Chief Executive to circulate.

## **5 DATE OF THE NEXT BOARD MEETING**

The next Board meeting will be held on Wednesday 28<sup>th</sup> September 2011 at Invest NI's Southern Regional Office, Newry. There will a client and local stakeholder networking reception prior to the meeting commencing at 12.00.

The Board Meeting ended at 15.20.

**EIGHTYSIXTH MEETING OF THE INVEST NORTHERN IRELAND BOARD ON  
28<sup>th</sup> SEPTEMBER 2011**

**Present:**

Stephen Kingon (Chairman)	Bryan Keating
Roy Adair	Alan Lennon
Frank Hewitt	Mark Ennis
Ed Vernon	Tim Brundle
John Brady	Gerry McCormac

**Minute Taker:** Michelle McBride

**In Attendance:** Alastair Hamilton, Tracy Meharg, Mel Chittock, Jeremy Fitch, Ian Murphy, Alison Gowdy, Damian McAuley & Charles Hamilton

**1. APOLOGIES & DECLARATIONS OF INTEREST**

The meeting commenced at 13.55.

Gerry McGinn and David Dobbin offered their apologies for this Board meeting.

The Chairman asked Board Members to declare any conflicts of interest. There were none to note.

**2. MONTHLY REPORTING TO BOARD**

**2.1 MINUTES JUNE BOARD MEETING**

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

**2.2 MATTERS ARISING**

The Chairman gave an overview of the Outstanding Actions Arising paper.

**Actions:**

- Mel Chittock confirmed that the Risk Register would run in its current format for the quarter ending September. The new format will be finalised with the Executive Team and the document will be brought to the Board in November. **Action: Mel Chittock**
- The Chairman and the Chief Executive met with David Thompson and David Sterling on the on 09<sup>th</sup> September.

**2.2 CEO REPORT**

The Chief Executive gave an overview of the CEO report to the Board and brought the following matters to the Board's attention;

US Visit September: The Chief Executive updated the Board regarding this trip on 12-17 September to the US and noted the positive feedback from the First Minister on these visits as reported to the Assembly.

NI Screen: The Board discussed NI Screen within the context of the overall Creative Industries sector.

Skills Issue: The Board agreed that Skills is an important issue, particularly the availability of those required for new and growing FDI. Jeremy Fitch updated members on his meetings with DEL and DETI regarding this issue.

**2.4 FINANCE REPORT TO THE BOARD**

Mel Chittock gave an overview of the finance report and an update on the latest position.

**2.5. MARKETING AND COMMUNICATIONS REPORT TO THE BOARD**

Members were asked to note this report.

## **2.6 CASEWORK REPORT TO THE BOARD**

Members were asked to note this Report.

## **3 ITEMS FOR DISCUSSION**

### **3.1 Chief Executive Update**

#### **3.1.1 NIAO Review of Invest NI Performance**

Damian McAuley introduced the draft Northern Ireland Audit office (NIAO) Review of Invest NI performance. A copy of the full report has been distributed to members of the Board Audit Committee.

The Chief Executive confirmed that Invest NI will respond to the Northern Ireland Audit Office, clarifying and correcting comments and noted that there will be follow up meetings with the NIAO. The Board raised a number of issues around accuracy and the presentation standard of the draft report. Members emphasised the need for Invest NI to provide a robust, challenging and constructive response and to have a full and considered media response prepared and ready for when the report is published.

#### **3.1.2 Summary of Draft PFG**

The Chief Executive provided a brief summary of the draft Programme for Government (PFG). He focused on the economic development aspects of this programme and noted the implications for Invest NI.

#### **3.1.3 Draft NI Economic Strategy**

The Chief Executive circulated a paper on the draft Economic Strategy for Northern Ireland. The Executive team asked for feedback and comments from Board members on this report over the coming days. The Board raised a number of issues relating to various activities included in the draft report and concerns over activities they felt were missing from the report. Members noted a shift from an emphasis on Productivity to Competitiveness as the key objective. It was noted that the draft will be subject to a full consultation in due course.

**ACTION:** The Board members to feedback comments on the Draft NI Economic Strategy to Damian McAuley.

The Board are keen to ensure that the draft is re-shaped to bring out Northern Ireland's Unique Selling Points (USP) which includes key skills and this needs to be line with the ongoing work with DEL to match Invest NI's selling to targeted sectors.

Members noted the importance of skills to exploit Northern Ireland's Intellectual Property (IP).

#### **3.1.4 Boosting Business Initiative**

The Chief Executive presented the Boosting Business Initiative to the Board. This will be rolled out over a two month period and then implemented until the economy grows. This initiative represents approximately 50% of Invest NI activity (it is not the main element of FDI but some will be included) and this relates to the campaign around the initiative as well as the programme delivery. The Board noted that the First Minister launched this initiative at the CBI lunch on this date.

(Professor Gerry McCormac and John Brady left the meeting at 3.30pm)

Members agreed that Invest NI needs to clarify the rational for carrying out what is proposed in the Boosting Business Initiative.

**Action:** Members asked that this is presented in a briefing to the Minister to ensure transparency regarding the organisations actions for this short term response, which is different to the organisation's key objectives under 'normal' economic circumstances.

In response to a query from Roy Adair, Jeremy Fitch provided an update on Energy costs and the Board discussed these issues.

### **3.1.5 Update on Regional Aid**

Damian McAuley presented on Regional Aid and updated the Board on the issues related to future coverage in N Ireland.

### **3.1.6 Go For It Contract**

The Chief Executive and Ian Murphy updated the Board on the current position regarding the New Business Start Programme (BSP).

## **3.2 Chairman' Update**

The Chairman provided the Board with an update on the issue of Corporation Tax and the Economic Advisory Group meeting held on 12 September 2011.

## **4 AOB**

Jeremy Fitch updated the Board on the PWC jobs announcement.

## **5 DATE OF THE NEXT BOARD MEETING**

The next Board meeting will be held on Wednesday 26<sup>th</sup> October 2011 at Invest NI's HQ, Bedford Street.

The Board Meeting ended at 16.40.

**EIGHTY NINTH MEETING OF THE INVEST NORTHERN IRELAND BOARD  
ON 26<sup>th</sup> OCTOBER 2011**

**Present:**

Stephen Kingon (Chairman)	Bryan Keating
Roy Adair	Alan Lennon
Frank Hewitt	Mark Ennis
Ed Vernon	Tim Brundle
John Brady	Gerry McCormac
Gerry McGinn	David Dobbin

**Minute Taker:** Michelle McBride

**In Attendance:** Tracy Meharg, Mel Chittock, Jeremy Fitch, Ian Murphy, Alison Gowdy, Damian McAuley & Charles Hamilton

**1. APOLOGIES & DECLARATIONS OF INTEREST**

The meeting commenced at 13.00

Alastair Hamilton offered his apologies for this Board meeting as he was travelling abroad on Invest NI business.

David Dobbin arrived at 13.20.

The Chairman asked Board Members to declare any conflicts of interest.

Roy Adair noted the reference to Capital Life in the Chief Executive's Report and confirmed that he will leave the room if a discussion arises regarding this.

**2. MONTHLY REPORTING TO BOARD**

**2.1 MINUTES SEPTEMBER BOARD MEETING**

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

## **2.2 MATTERS ARISING**

The Chairman gave an overview of the Outstanding Actions Arising paper.

Mel Chittock gave an update on the Northern Ireland Office Report on performance and noted that he anticipates publication in the New Year.

The Actions table was reviewed and addressed.

**Actions:** The revised version of the Northern Ireland Economic Strategy document to be circulated to Board members. (Damian McAuley)

## **2.3 CEO REPORT**

Jeremy Fitch, in Alastair Hamilton's absence, gave an overview of the CEO report to the Board and brought the following matters to the Board's attention:

**Transform:** Jeremy congratulated Mel Chittock on his appointment as head of Finance and Operations and confirmed that Amanda Braden has been appointed as HR Director and will take her post on 3 November 2011.

Jeremy noted that the trawl for the International Business Executive post was unsuccessful and is currently under review. He confirmed that there are three other appointments ongoing and these will be agreed by the end of November

**Business Scorecard:** The Board Audit Committee suggested a change to the Scorecard and Mel Chittock agreed to revise wording re the adherence to Invest NI processes. It was suggested that the Work In Progress report should become

a target within the balance scorecard. Mel Chittock agreed to consider, however, he noted that the WIP report was likely to remain part of the Finance Report and hence detailed reporting would continue.

Boosting Business: This initiative will be officially launched on 14<sup>th</sup> November and Tracy Meharg updated the Board regarding what is proposed.

There was some discussion on whether maximum use was being made of flexibilities within the organisation's powers. It was also acknowledged that both European and national rules did limit the extent of what could be done. The Board and the Executive agreed the importance of managing expectations and the ability to respond effectively. Board members noted the importance that staff are fully briefed on this initiative.

It was noted that while safeguarding of jobs is possible, rescue and restructuring is normally beyond the powers of Invest NI, due mainly to EU restrictions. The Chairman confirmed that the Minister is in full agreement with the approach and Tracy Meharg assured the Board that Governance procedures are being adhered to. It was agreed that it would be useful to raise these policy points with the Department

**Action:** A Board paper offering the full detail of the Boosting Business package will be circulated to Board members before the next Board meeting. (Tracy Meharg)

**Action:** Policy issues to be raised at Board Debrief. (Chairman)

Mel Chittock updated Board members on the Loan fund, noting that, due to European and national rules, commercial rates of interest have to be applied for unsecured loans. The Board raised concerns around the interest rate and asked that the Executive give full consideration to all options and flexibilities that may be available.

## **2.4 FINANCE REPORT TO THE BOARD**

Mel Chittock gave an overview of the finance report and an update on the latest position.

There was a discussion on whether Invest NI's administration needed to be reviewed in the light of the reduction in spend. Mel Chittock noted that the mix in spend has shifted to smaller projects away from larger ones putting strain on existing resources. There was some debate on whether there were still gaps in Invest NI's venture capital offering.

**Action:** Mark Ennis and Tim Brundle will forward a note on behalf of the Board to the Executive team on finance for equity at university/small investment seed funding level.

## **2.5. MARKETING AND COMMUNICATIONS REPORT TO THE BOARD**

Members were asked to note this report.

## **2.6 CASEWORK REPORT TO THE BOARD**

Members were asked to note this Report.

## **3 ITEMS FOR DISCUSSION**

### **3.1 Communications and Marketing Strategy**

Peter Harbinson joined the Board meeting at 14.50. He updated the Board on actions being undertaken in this area including the launch of the Boosting Business initiative on 14<sup>th</sup> November and the PR activity in relation to this.

The need was noted for an over-arching Strategic communications plan dealing with staff, stakeholders and the public, including regular reports to the Board to ensure that the Invest NI message is clearly understood.

The Board discussed the need for external support in relation to Marketing and Communications.

The Board commented on Minister Sammy Wilsons' statement on Tesco, made earlier that morning. It was agreed that the importance of Tesco's local purchasing and its impact on the NI Food Sector should be drawn to Minister Wilson's attention.

**Action:** The Chairman to consider speaking to the Finance Minister about the benefits of Tesco to NI economy.

### **3.1 Chairman' Update**

The Chairman provided the Board with an update on the Economic Advisory Group and discussed the issue of Corporation Tax.

The Chairman noted that he attended an event with the Minister for Europe David Liddington MP on 19 October 2011. He also updated members on the timeline for the appointment of the new Chairman and the appointment of new Board members.

## **4 AOB**

No issues were raised

## **5 DATE OF THE NEXT BOARD MEETING**

The next Board meeting will be held on Tuesday 29<sup>th</sup> November 2011 at Invest NI's HQ, Bedford Street.

The Board Meeting ended at 15.50.