

INVEST NORTHERN IRELAND BOARD MINUTES 2024

January 25, 2024

**TWO HUNDRED AND ELEVENTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 25 JANUARY 2024
MEETING HELD AT INVEST NI HEADQUARTERS, BELFAST**

Present:

Invest NI Board

Colm McKenna (Interim Chair)	Ciaran Mulgrew
Colin Coffey	Dawn McLaughlin
Dominic Darby	Melanie Dawson
Marie-Therese McGivern	Scott Ritchie
Kieran Kennedy	Michael McQuillan

Board Secretary: Trevor Connolly

In Attendance: Mel Chittock, Alan McKeown, Brian Dolaghan, Dónal Durkan, Paula Logue, Peter Harbinson, Steve Harper.

Minute Taker: Wendy Savage

The meeting commenced at 10:15.

The Chair welcomed three members of Invest NI staff, who joined the Board meeting in an observatory capacity. The Chair noted his intention to bring the Entrepreneurship agenda item earlier in the agenda to facilitate an important client meeting.

BOARD STANDING ITEMS

APOLOGIES

Apologies received from Patrick O’Gorman, Julie-Ann O’Hare and Jeremy Fitch.

(i) DECLARATION OF CONFLICTS OF INTEREST

Ciaran Mulgrew stated that he would leave the meeting temporarily should there be any detailed discussion on the casework report at agenda item 3. It was confirmed that there were no other conflicts with any items under discussion today.

(ii) RAISING CONCERNS

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

1. MINUTES

The minutes of the November 2023 Board meeting were agreed without amendment and will be published online. The Chair noted that the next meeting will be an Operational one on Thursday 29 February 2024, which will be held in Invest NI HQ. This will be the first meeting that Kieran Donoghue will attend as CEO. He also noted that the March Board, which will be Strategic in nature, will be held in North/West Belfast, location to be confirmed.

2. ACTIONS & UPDATES

The Board Secretary updated the meeting on the Actions list and the following was noted:

Action 85 – Spare Capacity within INI HQ – Paper included on January agenda.

Action 86 – NW Office location – Paper to be prepared for February Board meeting.

Action 87 – Entrepreneurship - Paper included on January agenda.

Action 89 – Updated Risk Appetite - Given other competing work priorities and the importance of this action, the Chair has deferred this agenda item to February's meeting.

Action 99 – Digitisation Paper - Paper to be prepared for March Board meeting.

The Chair provided an update on his recent meeting with the Interim DfE Permanent Secretary: Ian Snowden and advised that the Permanent Secretary had confirmed his commitment to ensuring that the good working relationship between DfE and Invest NI continues and is enhanced.

3. CASEWORKS FOR APPROVAL

Colin Coffey, BFC Chair, brought forward a recommendation to the Board for approval of one project. After a brief discussion, the project was approved by the Board.

Colin advised that a further 2 urgent projects would be dealt with via correspondence. The Chair queried why everything needs to be done urgently and, despite the Board's best efforts, we never seem to get ahead of the curve. He was also concerned as to the apparent lack of recognition, by Executive colleagues, of the need for Board members to have adequate time to read and assess the papers. Brian Dolaghan advised that the closure of ERDF and making sure Invest NI was fully aligned with the available slots in the DfE Casework process had both had impacts. Following further discussion Colin noted that he had asked for internal timelines to be reviewed and the potential of using the MS Project software to map out the process would be explored. The Chair asked that as much time as possible be given to Board members to consider the casework papers. Colin highlighted that, overall, the revised casework process was working well, but was also an iterative process which was still evolving.

4. IMPLEMENTATION OF INDEPENDENT REVIEW ACTION PLAN

The Interim CEO advised that the governance structures for the implementation of the Action Plan were now up and running and the project management software has been rolled out to all Action Owners and Implementation Leads. The system covers all 35 Strategic Actions and is available to both Invest NI and DfE staff and provides live reporting of progress on key actions and tasks.

Mel advised that, since the software had been rolled out, an Action Owners Project Board had been held on Tuesday 16 January, where the continuing need for joint working to deliver the enabling tasks and strategic actions had been stressed. He confirmed that all Strategic Actions were on track for delivery. In response to some queries from the Board, Mel confirmed that a Risk/Issues Log was being developed and that work on Resource Requirements was progressing and would go to SRC for review.

Mel also referenced some comments on the survey that was undertaken on the Task and Finish Group process. He advised that these results are being analysed to identify the lessons learned. Some staff felt that it was not truly joint working, and we need to see how we can develop closer working relationships on the back of this.

The Chair stated that he had taken comfort from the 16th January meeting, which was well attended by Executive colleagues, that there would be no further slippage from the timelines

in the published Action Plan. He stressed the importance of Invest NI being the engine room for the change set out in the Action Plan and the need for Executive colleagues to own that change. He reiterated the need for continued joint working and confirmed that he had invited Mary Gormley to join the February Board meeting to do a short system demo and provide the monthly progress update. The Chair advised that he was disappointed with some of the comments in the survey and also stated the need to develop partnership working.

5. COMMITTEE CHAIR REPORTING

The Chair referenced the report included as part of the Board pack and then invited Marie-Therese McGivern, SRC Chair to give a brief verbal update.

Marie-Therese advised that this had been a very busy period for SRC with their main focus being on the draft Corporate Strategy and the draft Communications & Engagement Strategy, both of which were being discussed during the meeting.

Marie-Therese commended the amount of progress made by the team working on the Corporate Strategy; but highlighted some areas where work by DfE is progressing slower than they would have liked. The Committee is receiving regular updates on the work to rationalise our Portfolio of programmes / interventions and the development of the new Performance Dashboard. Marie-Therese completed her update by advising that the focus of the Committee will now move to People and Culture; the Financial reporting information required by the Board; and Digitisation. She thanked the SRC Secretariat for their great work to date.

The Chair asked if either of the other Committee Chairs had any specific issues they wished to raise. Colin Coffey, BFC Chair, raised a point over the length of time taken to realise the remaining investments in a Fund approaching the end of its tenure and to expedite that closure. The Chair asked that the RPC Chair provide the verbal update at the February Board meeting, in addition to the normal Committee Chairs' written reports.

Action: RPC Chair to provide the verbal update at the February Board meeting, in addition to the normal Committee Chairs' reports.

Post Meeting Action Update - As there is a standalone Regional Strategy item on the February Board Agenda, the Chair has stood down RPC and asked that the verbal update be provided by the BFC Chair.

OPERATIONAL ITEMS

6. CEO REPORT TO BOARD

The CEO provided an overview of his Paper. He highlighted the following issues:

- The economic data from several different sources is still very mixed.
- UUEPC have concluded that the economic outlook for NI forecasts a subdued level of economic growth, with challenges specifically for the construction and retail sectors.
- Overall capital investment levels have fallen significantly in recent years and consequently there is a policy need to encourage both businesses and Government to increase capital investment expenditure.
- Performance Reporting - Concerns around the year-end delivery of 5 Targets (categorised Amber); and 1 Target, which will not be achieved and this is categorised as Red.
- Invest NI hosted some 30 of our overseas staff in the Northwest and this was a great opportunity for them to learn what the region has to offer as well as being able to engage with local stakeholders including the Council, Chamber, business investors and colleges. My thanks to Board members Dawn McLaughlin and Kieran Kennedy for their support and involvement. The visit was a great success and received a lot of positive media coverage.

One Board member stated that there are some very good news stories in the Construction sector and that the figures mentioned may be skewed.

The Chair highlighted the need to develop the Work In Progress pipeline for 2024-25 to ensure that we stop the downward trajectory of year-on-year reductions in Invest NI's budget. He also asked that the Board be kept informed of any new issues with the delivery of targets.

7. FINANCE REPORT TO BOARD

Brian Dolaghan made a brief presentation to supplement the Finance Report to Board. Key headlines were: (i) Resource - spend is ahead of YTD budget profiling but expected to normalise by year end. (ii) Capital - spend broadly in line with expected timing at 9-month

point. (iii) ERDF - remaining allocation has now been fully spent at 31 December 2023. In looking ahead, DfE has asked for submission of bids for resource and capital. There is an assumption that our 2023-24 closing position will be our opening position for 2024-25. Bids had been made for both resource and capital. There was a rising demand for capital funding over the next three years, on proposed interventions such as Productivity Support, Agri-Food, Energy Efficiency and Access to Finance. Brian confirmed that bids for the Shared Prosperity Fund were also back on the table for 2024-25. Board members responding by emphasising the need to redouble our efforts to have a pipeline of projects which could make use of all available funding. They also queried what would happen if the bids were unsuccessful and how staff were being allocated against key projects / programmes. The Chair asked that an exercise be completed setting out where we will end up as to the 2024-25 Budget position and what actions are to be undertaken if Invest NI's bids are unsuccessful.

There was also a discussion on the need for the ARAC, BFC and SRC Chairs to meet to discuss and agree what type of financial information was required to be presented to the Board.

Action: Executive Director Finance to prepare a Paper for the February Board meeting setting out where he thinks we will end up as to the 2024-25 Budget position and what actions are to be undertaken if Invest NI's bids are unsuccessful. Paper to also include analysis of staffing allocation by key programme / outcome.

8. ARAC UPDATE

The ARAC Chair gave a brief verbal update from the last ARAC meeting on 7 December. The main points are summarised below:

- NIAO has provided final report.
- Internal Audit reports were reviewed.
- Governance Council provided an update.
- Mid-year review of Assurance Statement completed.
- Corporate Risk Register reviewed.
- ARAC ToR updated to reflect change of name and membership.
- Progress on completion of PPE's was discussed – for those <£1m, from April 2023 there had been a significant reduction in the number outstanding and this was to be reviewed again at the end of January 2024. For those PPEs >£1m, an external procurement exercise is ongoing with a timeframe for completion by March 2024.

The Chair stated his concern that Invest NI's inability to complete PPEs on time was, and had been for some time, an ongoing issue. He asked whether there was sufficient understanding across the organisation as to (i) the importance of completing timely PPEs and (ii) disseminating the resulting Lessons Learned.

SPECIFIC PAPERS

9. CORPORATE PLAN

Gerard McNally joined for this item. Gerard advised that, following the Board Strategy workshop on 18 January, all comments from Board members were being reviewed and would be incorporated into the next iteration of the Paper. He thanked the Board for their interest and feedback at the workshop. Board members thanked Gerard and his team for the huge amount of work undertaken to date and noted that the engagement with SRC had been time well spent. Board members were content to approve the Paper. The Chair asked that the draft 2024-25 Invest NI Business Plan come to the March Board meeting for approval.

Action: Draft 2024-25 Invest NI Business Plan to come to the March Board meeting for approval.

Gerard left the meeting.

10. ENTREPRENEURSHIP PROPOSALS

George McKinney, Gren Armstrong and Keith Forster (DfE) joined the meeting for this item.

George McKinney gave a brief overview of the Paper and asked the Board to approve the establishment of the Entrepreneurship Backbone Team (EBT). Board members discussed the proposal and focussed on risk assessment, availability of follow-on funding, how the team would be integrated within other Invest NI activities and the degree of engagement with DfE on the proposal. Keith Forster confirmed there had been good partnership working with colleagues in Invest NI and stated that this collaborative working needed to continue. Keith suggested that DfE would now be best placed to chair oversight of the team, if approved, with Invest NI providing the operational delivery.

Both the Interim CEO and Chair noted that the proposal to establish the EBT itself was strategic in nature and hence appropriate for the Board to take a view on, however, the final nature and resourcing of the structure was operational.

The Board were content to approve the establishment of the EBT but noted that the final nature and resourcing of the structure should be a decision for the CEO. The Chair asked that the Board be kept apprised of progress on the EBT and its proposed structure and resourcing. George, Gren and Keith left the meeting.

11. SPARE OFFICE CAPACITY – HQ

The Interim CEO referenced the Paper and asked if Board members had any comments or questions. Board members felt that there had been good progress made since the November Board meeting; but asked if there had been consideration as to inviting other Trade bodies (e.g. IoD) to use space in the building and the potential to hire out event space or potentially offer space to SMEs / Start-ups. Board members stated that our building should be the first port of call for anyone needing space to work. The Interim CEO advised that he is happy to look at all options and asked the Board for more time to consider some more creative ideas. The Chair asked that an update paper is brought to the February Board meeting.

Action: The Chair asked that the CEO provide an update paper for the February Board meeting.

12. COMMUNICATIONS AND ENGAGEMENT STRATEGY – OVERVIEW PAPER

Marie-Therese McGivern, in her role as SRC Chair, introduced this Agenda item. She explained that SRC had focussed their attention on helping the team shape the Strategy to make it more strategic and less operational / reactive and more about stakeholder engagement. Marie-Therese also stated that a huge amount of work had been completed and the Strategy will require a culture change across the organisation, as we move to a different way of working.

Peter Harbinson confirmed that the draft Strategy would now be discussed with the incoming CEO, before finalising.

Board members thanked Peter and his team on the progress made and stated that this piece of work would be fundamental to how Invest NI works going forward. One Board member also questioned whether international business should be covered separately due to its own nuances. Steve Harper advised that there are Comms staff embedded throughout the

international office network who are young, enthusiastic and bring a renewed vigour to communications. He also noted that they needed the right tools and equipment to enable them to do their jobs, especially in respect of mobile video recording and editing. Alan McKeown confirmed that he would investigate this issue further. The Chair noted that this would require a culture change, with the Comms team acting more as facilitators, rather than gatekeepers, and ELT taking more ownership. He also suggested the Comms team be open to procuring external PR support. Board members were content to approve the Paper.

PAPERS TO NOTE

13. MARKETING & COMMUNICATIONS REPORT

This paper was noted with no comments.

14. ANY OTHER BUSINESS

The Chair brought to the attention of members the NI Public Sector Chairs' Forum Leadership & Governance Conference 2024, taking place on Wednesday 6 March 2024. The Chair asked that should anyone wish to attend; they contact the Board Secretariat.

The Chair brought the meeting to a close by noting that this was Mel Chittock's last meeting as Interim CEO. The Chair, on behalf of the Board, thanked Mel for his leadership and dedication over the last two years, which have themselves been a highly challenging and complex period for both Invest NI, the Department and Northern Ireland. The Chair noted Mel's resilience in staying the course over the past two years and thanked him for his openness and honesty and his hard work and advice throughout his term as Interim CEO.

The Board meeting ended at 13:40.

15. DATE OF THE NEXT BOARD MEETING

The next Board meeting will be Operational in nature, will commence at 10:15 on Thursday 29 February 2024 and will be held in Invest NI Headquarters, Belfast.

Wendy Savage, February 2024

Chair