

Section 75 Policy Screening Form

Part 1. Policy scoping

The first stage of the screening process involves scoping the policy under consideration. The purpose of policy scoping is to help prepare the background and context and set out the aims and objectives for the policy being screened. At this stage, scoping the policy will help identify potential constraints as well as opportunities and will help the policy maker work through the screening process on a step by step basis.

Public authorities should remember that the Section 75 statutory duties apply to internal policies (relating to people who work for the authority), as well as external policies (relating to those who are, or could be, served by the authority).

Information about the policy

Since the escalation of the Covid-19 pandemic during March 2020, liquidity issues have quickly become apparent across the whole of the UK, and Northern Ireland is no exception. National responses have been announced to help address this issue, with the Coronavirus Business Interruption Loan Scheme (CBILS) being the key measure to provide additional funding to SMEs.

The key gaps that have emerged are as follows:

- Early stage businesses that are pre-revenue or pre-profit and not suitable for bank lending. These businesses have been typically funded through Invest NI Access to Finance Funds and various sources of matched funders e.g. private individuals, venture capital and syndicates;
- Micro and small SMEs that do not have an existing banking relationship and are therefore experiencing significant difficulty in securing CBILS; and
- Companies with turnover in excess of £45m which are not eligible to apply for funding supported by CBILS. However, the Chancellor announced on 16 April 2020 that a new scheme would be introduced for this cohort.

The second and third of these gaps have been recognised at a national level and details of the Bounce Back Loan Scheme (BLS) and the Coronavirus Large Business Interruption Loan Scheme (CLBILS) have now been announced. After a review of the terms of these schemes, Invest NI is of the view that they will be effective and apply to both the micro and small, and the larger companies in Northern Ireland. Therefore Invest NI will not propose loan schemes in relation to these two gaps at this time.

The Future Fund which was announced by the Chancellor has been assessed in respect of the gap relating to early stage businesses, but this only provides a partial solution to this gap in Northern Ireland. Therefore, following a review, analysis and feedback from the

market, Invest NI's Executive team has instigated a proposal to provide a solution for these businesses in Northern Ireland.

It is proposed that Financial Transaction capital (FTC) will be used to help address the early stage gap by providing loans, convertible loan notes or equity as appropriate. This support will be directed to early stage businesses that are adversely impacted by COVID 19, and where national support measures cannot adequately address these issues.

It is currently estimated that a total budget of £10m will be required. We understand that Invest NI has been allocated £17m of FTC for 2020/21 and this is expected to facilitate planned Invest NI activities (c£5m) and the early stage element of this proposal (c£10m), with £2m remaining unallocated.

The umbrella State Aid measure notified by the UK meets all the conditions provided for by the Covid-19 Temporary Framework for 'temporary limited amounts of aid' in the form of direct grants, tax and payment advantages or other forms such as repayable advances, guarantees, loans and equity. On this basis, loans proposed in this scheme are permissible. In addition, convertible loan notes and equity are also permissible, but are included under a measure that limits aid to €800,000. It is proposed that the maximum convertible loan or equity support will be limited to £500,000.

Through Co-Fund NI, Invest NI invests directly in high growth potential businesses alongside private investors. Many private investors have stepped back from investing in the current circumstances and it is proposed that certain changes are made to the parameters of Co-Fund NI, in particular by temporarily amending the investment parameters for Co-Investment II, where Invest NI is the direct shareholder in portfolio companies. These temporary arrangements will help support the existing portfolio, encourage private investors to keep providing funding, and also protect our existing investment.

Funding Arrangements

It is proposed that funding for early stage businesses can take the form of loans, convertible loan notes or equity.

The precise nature of the funding for early stage high growth potential companies will be determined on a case by case basis. Normally this support will form part of a funding round and will be made on a 'pari passu' basis with the other investors in the round. In exceptional cases, where there are no other funders participating in a round, the financial assistance will be by way of loan or convertible loan note.

It is proposed that all support contracts are signed by 31 December 2020. This proposed end date will be reviewed at 30 September 2020, with the ability to break if appropriate.

For funding with a maturity beyond 31 December 2020 (or September 2020 if break is invoked), the amount of the support shall not exceed the higher of:

- i) double of the annual wage bill of the beneficiary (including social charges as well as the cost of personnel working on the company site but formally in the payroll of subcontractors) for 2019 or for the last year available. In the case of undertakings created on or after 1 January 2019, the maximum financial

assistance must not exceed the estimated annual wage bill for the first two years in operation; or

ii) 25% of the total turnover of the beneficiary in 2019; or

iii) with appropriate justification and based on projected funding needs, the amount of the financial assistance may be increased to cover the liquidity needs from the moment of granting for the coming 18 months for SMEs.

The financial assistance may relate to both investment and working capital needs.

Interest will be charged on loans and will comply with the applicable state aid rules as a minimum. Invest NI will seek to issue convertible loan notes or take equity on market economy operator principles, with terms normally being determined on a 'pari passu' basis in a current funding round or by a future round. Where this is not possible Invest will comply with the relevant State aid rules, in particular the UK's temporary framework notification.

It is proposed that the early stage company loans would be unsecured.

Within a pre-set timescale (expected to be September 2020), a review will be undertaken of the proposed scheme end date, with the ability to break if appropriate.

Eligibility

It is proposed that funding may be available to the following categories of high growth potential companies:

- Invest NI High Potential Start Up (HPSU) companies;
- Access to Finance equity funds' portfolio companies; and
- Potential Access to Finance equity fund portfolio companies that meet the investment policies of those funds. (Please refer to Appendix 1 for Access to Finance equity fund investment policies).

The scheme is open to all early stage companies that meet the eligibility criteria outlined above, and is not restricted solely to Invest NI clients.

For early stage companies, it is proposed that support will only be provided to high growth potential businesses that had planned to raise external finance in the period to 31 December 2020, or which now plan to do so because of the impact of Covid-19.

Typically, part of the funding round will be provided by external funders, including, but not limited to, the Invest NI Access to Finance funds. It will only be in exceptional circumstances that Invest NI funding will be provided in the absence of other funders. As an example, significant progress may have been made through investments by Co-Fund NI. A round may have been planned and private investor traction has been lost. In these circumstances, Co-Fund NI would be unable to invest and the business would likely fail. If

the Co-Fund NI investment committee continues to recommend that further funding should be made, but cannot do so, then Invest NI should consider providing funding in isolation.

Similar situations may arise particularly in Techstart I, but Invest NI will always seek to maximise any other available funding in the first instance.

It is proposed funding will be open to high potential start-ups that planned to raise external finance in the period to 31 December 2020, or who are now forced to as a result of COVID 19.

While support will not be exclusive to Invest NI customers, an applicant should demonstrate that in the absence of COVID 19 it would have been a suitable candidate for equity providers and display a scalable business model with high potential.

The support may be granted to undertakings that were not in difficulty (within the meaning of the General Block Exemption Regulation 28) on 31 December 2019; it may be granted to undertakings that are not in difficulty and/or to undertakings that were not in difficulty on 31 December 2019, but that faced difficulties or entered into difficulty thereafter as a result of the COVID-19 outbreak.

Interest will be charged on loans and will comply with the applicable state aid rules (Covid-19 Temporary Framework) as a minimum. Convertible loan notes or equity will be invested on market economy operator principles, with terms normally being determined on a 'pari passu' (i.e. at the same rate or on an equal footing) basis in a current funding round or by a future round.

Any early stage company loans would be unsecured.

Assessment Process

Where early stage businesses have an existing INI Client Executive, a proposal would be presented by that Client Executive. In cases where businesses do not have an existing Client Executive, the case would be brought forward by someone nominated by the appropriate Sector Director.

As these cases arise from very exceptional circumstances an expedited appraisal and approval procedure must be designed and implemented. It will be necessary to show that the funding need is due to the impact of Covid-19 and that the business had reasonable prospects of securing funding if Covid-19 disruption had not occurred.

It is recommended that a streamlined Casework format is adopted and that there are a limited number of individuals nominated from whom casework panels are formed and that a similar pool of people are nominated from the Board to consider cases where the amounts involved necessitate Board Approval. Similarly consideration needs to be given in relation to cases where limits would normally require Departmental approval.

As Invest NI does not have in depth experience of assessing proposals of this nature, it is proposed that a panel of appropriately experienced individuals is established to provide advice. The panel would consider all cases where proposed support exceeds £100k and

any cases below £100k where the Client Executive requests advice. Any advice given would form a key part of the Client Executive's Casework submission.

It is proposed that the present intervention principles are followed, but it should be noted that in many early stage companies, it will simply not be possible to appraise cases in a manner that will produce conclusions in which one can have a high level of confidence. For early stage companies which are inherently high risk, significant comfort should be placed on the involvement of private investors and fund managers, who make commercial decisions to invest in these types of businesses. In common with the approach adopted for our equity funds, investment decisions should be based on commercial rationale, with the expectation that economic benefits will flow from the successful investments. Additionality and displacement will be considered, but it should be noted that support is by way of repayables (loans, convertible loans, or equity) rather than grant, and that early stage companies will predominantly be planning to grow by exporting.

The practical difficulties need to be recognised at the outset and a process implemented that is practical and enables support to be given quickly whilst at the same time taking whatever steps can be taken to safeguard the use of public funds.

Time Limit

- This is a time-limited intervention, solely for the period 2020/21.
- Funding may take the form of loans, convertible loan notes or equity, with funding typically being a bridge to a future investment round within the next 12-18 months.

Amendment to Access to Finance parameters

There will be no change to the investment criteria of Co-Fund II and the fund manager's existing appraisal process will continue to be followed. However, approval for a number of amendments in respect of Co-Fund II will be sought. In addition, where appropriate Invest NI also proposes to amend the investment criteria within the Invest NI Access to Finance scheme to help support these objectives.

Development Funds (Kernel and Crescent III)

In each of the Development Funds there is an investment cap of £3m per company, however this cap may be exceeded with the prior consent of the respective Advisory Boards. Given this mechanism exists we do not propose any further amendments in relation to these funds. These Funds are closed to new investment opportunities and provision of any future funding will be follow-on investments in existing portfolio companies.

Crescent IV

The successor development fund to the above was launched in September 2019. We are not proposing any changes to the fund as part of this paper.

Techstart Fund 1 (TF1)

TF1 consist of 3 separate Funds (SME, Queen's University and Ulster University) with a combined total of £20M available to invest with the focus being very much on start-up and early stage companies with innovative technology and high growth potential. The Funds are managed by Techstart Ventures LLP.

The Funds are subject to State Aid regulations - essentially no matched funding required for start-ups and between 10% and 60% depending on the age of the company.

To date the Funds have invested £15.8m in a total of 47 companies. As it is now past its investment period, there will be no investment in new companies and therefore there is £4.2m for the Fund Managers to invest in follow-on investments subject to the State Aid regulations and the limitation restricting the investment in any one company to £1m. No changes are proposed to TF1

Techstart Fund (TF2)

TF2 succeeded TF1 and is a £30M investment fund again focused on start-up and early stage companies with innovative technology and high growth potential. There is also a £4.5M Proof of Concept Grant Fund. Both funds are managed by Techstart Ventures LLP. TF2 commenced in September 2019 and 5 investments have been made to date. Whilst the current crisis may have a timing effect on the current deal pipeline, no changes are considered necessary to the Fund as a result of COVID-19.

The £4.5m Proof of Concept Grant Fund has in excess of £4m unallocated funding available at this stage. This should provide good ongoing scope for individuals/ teams to progress their very early stage business concepts and enable them to get onto the funding escalator over the next few months.

No changes are proposed to TF2.

Co-Investment Fund II

Co Fund II commenced in June 2017 and is managed by Clarendon Fund Managers (CFM). It is currently ahead of targets in relation to investment activity with £9.6m invested across 31 companies, leveraging £28.3m from the private sector. CFM has built a strong network of business angels and institutional investors, ensuring private sector investment in the Northern Ireland market has increased and expanded, with CFM being a respected partner in the market place. The investments made through Co-Fund II are direct investments in Invest NI's name and we are shareholders in these businesses.

Given the strong performance of Co Fund II and the pipeline of opportunities it has developed, Invest NI and British Business Investments (BBI) are currently discussing the potential for additional funds (circa £7.5m) to be made available for investment activity up to May 2023. We anticipate a case for approval will be submitted by mid May 2020, but in the interim we wish to propose a number of amendments to the existing Management Service Agreement (MSA) for Co Fund II to address the COVID 19 impact.

The proposal is to implement the following alterations to the fund's investment criteria and/or MSA for the period to 31 December 2020, (with a review of activity and the ability to break at 30 September 2020 if deemed appropriate.)

a) Reduce the match requirement at individual deal level from the current minimum contribution of 50% by private sector investors to 30%.

Rationale: Current state aid requirements to ensure compliance with the Market Economy Investor Principle (MEIP) stipulate that the private sector should invest at least 30% of a funding round to ensure that the deal is deemed to be fully commercial. In Co Fund II the public to private ratio was set at 50:50 as this ratio was deemed the appropriate level to

incentivise private investors in the NI market. This ratio has been sufficient to date, however in order to address the restrictions on private sector investment outlined above, and to ensure funding remains available for viable businesses, it is appropriate to implement this increase in public sector investment at this time. The increase in the public sector % participation in follow on rounds may also help free up private investor capacity to invest in new deals.

b) Waive 'new investor' rules for new deals.

Rationale: In situations where existing investors (who meet the definition of a pre-qualified investor) are participating in a new funding round for the company, we propose that the requirement for a new investor to participate in the round should be waived. In these circumstances, the valuation of the company will be subject to a 'fair value' review which will be undertaken by CFM in line with their usual due diligence procedures and be notified to Invest NI prior to proceeding with the round. This will more easily allow funding to be available to the company where the number of business angels in the market for new opportunities is restricted.

c) Increase individual company investment cap from £1.25m (with prior approval) to £1.5m.

Rationale: The increase in the investment cap will allow additional follow on funding to be available for portfolio companies, easing the pressure on the private sector and potentially freeing up funds for new opportunities.

d) Increase funding available for follow-on in Co Fund I portfolio companies by £0.7m (from £3.9m to £4.6m).

Rationale: This increase will ensure that Co Fund I portfolio companies will have access to requisite funding if they experience difficulties as a result of COVID 19. This will ensure the identified pipeline of investment activity in Co Fund I companies can be met and provide an incentive to the private sector to continue to invest. In line with the other proposed amendments, the timescale to commit this additional £700k will be extended to December 2020, with the ability to break in September 2020 if appropriate. (Note: In June 2019 funding was increased from £3m to £3.9m (representing a 4.4% uplift on the original approval of £21.7m) and the uplift was therefore approved within Invest NI's discretionary limit of 10%).

e) Decrease the number in a business angel group from ten to three, in order to extend the reach of the financial incentive.

Rationale: The potential for a maximum of £10k to be available to a group of private investors to aid the cover of associated external deal costs such as EIS advice or employing consultants to advise on urgent COVID 19 response planning. This has the potential to make deals more attractive to the private investor community.

Name of the policy

Covid 19 – Invest NI's Early Stage Business Support Scheme and Access to Finance Fund

Is this an existing, revised or a new policy?

New

What is it trying to achieve? (intended aims/outcomes)

The support scheme aims to provide appropriate support for NI early stage businesses that have suffered as a result of Covid-19. Specifically, the following objectives are attached to the scheme:

- To respond quickly and proportionately through the provision of emergency funding to address immediate hardship and prevent immediate loss and closure of high potential early stage businesses;
- To promote economic resilience and align with Invest NI policy aims;
- To address genuine need and avoid deadweight/overcompensation, i.e. target those early stage businesses experiencing significant additional issues raising funding to develop their businesses but facing ongoing fixed/operational costs and therefore facing cash flow difficulties;
- To complement rather than duplicate other national and regional support packages;
- To provide support in as timely matter as possible.
- Given the potential numbers involved and the need to provide support to businesses as soon as possible, to operate and administer the scheme as simply as possible.
- To have in place processes and checks, including appropriate controls and legal approvals, to mitigate against fraud and/or overpayment;
- To have a scheme incorporating a necessary element of prioritisation that is affordable within the current constraint of a £10 million budget.

Are there any Section 75 categories which might be expected to benefit from the intended policy?

If so, explain how.

The NI economy in general will benefit from the scheme in both the short and longer term, and this in turn will have a nett positive impact on all Section 75 categories.

Who initiated or wrote the policy?

Invest NI, with ratification by DfE.

Who owns and who implements the policy?

The scheme will be implemented through the offices of Invest NI.

Implementation factors

Are there any factors which could contribute to/detract from the intended aim/outcome of the policy/decision?

If yes, are they

- Financial – the scheme is constrained by a budget of £10m in the first instance.

Legislative - The intervention will be delivered in accordance with the Industrial Development Order.

- other, please specify _____

Main stakeholders affected

Who are the internal and external stakeholders (actual or potential) that the policy will impact upon?

- staff – All Invest NI staff who are involved with the implementation of the scheme
- service users – Those early stage businesses that are eligible to apply for the scheme; other businesses that are not eligible to apply for the scheme.
- other public sector organisations – NI Executive; DfE; HMRC
- voluntary/community/trade unions – N/A
- other, please specify _____

Other policies with a bearing on this policy

- what are they?

Other Covid-19 support schemes and including the following:

UK-Wide Support Schemes

Coronavirus Job Retention Scheme (CJRS) - Employers can apply to the government to pay 80% of individual's wages (up to £2,500 per month) if staff are unable to work and are placed on 'furlough'. Company directors operating a payroll scheme can, in theory, furlough themselves but only the salary element is covered by the scheme. In addition, businesses with employees can access a Statutory Sick Pay relief package for SMEs.

Self-Employment Income Support Scheme (SEISS) - Self-employed people (with trading profits of less than £50,000) can apply for a taxable grant worth 80% of trading profits up to a maximum of £2,500 per month for the next three months (this period may be extended). Individuals will be asked to confirm that their business has been adversely affected by coronavirus

Coronavirus Business Interruption Loan Scheme (CBILS): This provides financial support to smaller businesses (SMEs) across the UK that are losing revenue, and seeing their cash flow disrupted, as a result of the COVID-19 outbreak.

The Coronavirus Large Business Interruption Loan Scheme (CLBILS): All viable businesses with turnover of more than £45 million per year can apply for up to £25 million of finance.

Small Business Bounce Back Loans: This scheme, launched on 4th May, will provide loans of between £2,000 and £50,000 to small and medium-sized UK based businesses who have been adversely impacted by Coronavirus and was not an “undertaking in difficulty” on 31 December 2019.

Deferral of Income Tax payments: For the self-employed, Income Tax payments due in July 2020 under the Self-Assessment system will be deferred to January 2021.

Statutory Sick Pay (SSP) relief package for SMEs: The Coronavirus Statutory Sick Pay Rebate Scheme will repay employers the current rate of SSP that they pay to current or former employees for periods of sickness starting on or after 13 March 2020.

Universal Credit: Every self-employed person will be able to access Universal Credit at a rate equivalent to Statutory Sick Pay for employees. For those self-employed eligible for Universal Credit, the requirements of the Minimum Income Floor will be temporarily relaxed.

Mortgage Holiday: The government has agreed with mortgage lenders that they will offer repayment holidays of 3 months to households in financial difficulty due to COVID-19.

Specific NI Support Schemes

DfE Hardship Fund for Microbusinesses in Northern Ireland: £40m fund for microbusinesses with between 1 and 9 employees.

£10k Small business grant: These are available for businesses operating from premises with a Rateable Value (RV) of less than £15k and that meet other specific criteria.

£25,000 grant for retail, tourism and hospitality businesses: These are available to businesses operating in these sectors in premises with a RV between £15,001 and £51,000.

3 month business rates holiday for all businesses: For businesses in premises with a RV of £5,000 this is worth £500, for a RV of £15,000 around £2,700, for a RV of £50,000 around £7,000 and for a RV of £100,000 it is worth around £13,500.

Hardship Fund for Sport: A £2,000 grant scheme managed by SportNI for sports clubs and organisations to assist with essential overheads and maintenance. A total fund of £750,000 was made available. Sport NI has suspended new applications pending confirmation of additional funding.

Creative support fund: £1.5m fund to support individuals and organisations in the Arts Sector in response to COVID-19. Individual artists and creative practitioners, who have lost their work as a result of COVID-19, can apply for funding of up to £5,000. Small and medium sized organisations will be able to apply for maximum funding of £25,000 to help them develop new projects or programmes or re-arrange events. The Creative Support Fund will be administered by the Arts Council NI.

Charities Fund: Funding has been allocated to the Northern Ireland Executive to support local charities working with vulnerable people. While details of the proposed fund are not yet available, it is understood that it will not cover Social Enterprises.

Agriculture: DAERA officials are currently assessing the financial impact of COVID-19 on the farming and horticulture sectors and are considering the need for focussed support measures as a matter of urgency.

Available evidence

Evidence to help inform the screening process may take many forms. Public authorities should ensure that their screening decision is informed by relevant data.

What evidence/information (both qualitative and quantitative) have you gathered to inform this policy? Specify details for each of the Section 75 categories.

Section 75 category	Details of evidence/information						
ALL	<p>For early stage companies we anticipate that demand will come from those companies that have already received funding through Techstart, Co-Fund, Crescent or Kernel, and that are planning follow-on rounds during the next few months.</p> <p>In addition, there is likely to be demand from companies raising funding for the first time, but this cohort is likely to be more limited and they must be able to demonstrate that they can gain traction with one of the Access to Finance fund managers or with other external private equity funders.</p> <p>It is estimated that Invest NI's participation will range in value from c£50k to £1m, with an average investment in the region of £200k to £250k. It is estimated that 40 – 50 individual deals will be completed through this scheme.</p> <p>At this time there is no data available on the breakdown of businesses that may or may not qualify for this scheme by Section 75 categories.</p> <p>An overall breakdown of NI businesses by business type is shown below.</p> <table border="1" data-bbox="411 1839 1359 2002"> <thead> <tr> <th data-bbox="411 1839 866 1921">Type of Business</th> <th data-bbox="874 1839 1241 1921">Number of Businesses</th> <th data-bbox="1249 1839 1359 1921">%</th> </tr> </thead> <tbody> <tr> <td data-bbox="411 1921 866 2002">Unregistered Businesses</td> <td data-bbox="874 1921 1241 2002">53,075</td> <td data-bbox="1249 1921 1359 2002">41%</td> </tr> </tbody> </table>	Type of Business	Number of Businesses	%	Unregistered Businesses	53,075	41%
Type of Business	Number of Businesses	%					
Unregistered Businesses	53,075	41%					

	Registered Microbusinesses - 0 Employees	24,505	19%
	Registered Microbusinesses - 1-9 Employees	42,770	33%
	Registered Small Businesses - 10-49 Employees	6,530	5%
	Registered Medium Business 50-249 Employees	1,370	1%
	Registered Large Businesses - 250+ Employees	310	0.2%
	Total Number of NI Businesses	128,560	100%

Needs, experiences and priorities

Taking into account the information referred to above, what are the different needs, experiences and priorities of each of the following categories, in relation to the particular policy/decision? Specify details for each of the Section 75 categories

Section 75 category	Details of needs/experiences/priorities
Religious belief	No reasonable grounds to anticipate any different or specific needs, experiences and priorities in relation to religious belief in the delivery of this policy.
Political opinion	No reasonable grounds to anticipate any different or specific needs, experiences and priorities in relation to political opinion in the delivery of this policy.
Racial group	No reasonable grounds to anticipate any different or specific needs, experiences and priorities in relation to race/ethnicity, other than a need for translation services in exceptional circumstances, or alternative languages.
Age	No reasonable grounds to anticipate any different or specific needs, experiences and priorities in relation to age in the delivery

	of this policy.
Marital status	No reasonable grounds to anticipate any different or specific needs, experiences and priorities in relation to marital status in the delivery of this policy.
Sexual orientation	No reasonable grounds to anticipate any different or specific needs, experiences and priorities in relation to sexual orientation in the delivery of this policy.
Men and women generally	No reasonable grounds to anticipate any different or specific needs, experiences and priorities in relation to gender in the delivery of this policy.
Disability	No reasonable grounds to anticipate any different or specific needs, experiences and priorities in relation to age in the delivery of this policy, other than making documentation available in alternative formats (e.g. Braille, large print) on request
Dependants	No reasonable grounds to anticipate any different or specific needs, experiences and priorities in relation to dependency in the delivery of this policy.

Part 2. Screening questions

Introduction

In making a decision as to whether or not there is a need to carry out an equality impact assessment, the public authority should consider its answers to the questions 1-4 which are given on pages 66-68 of this Guide.

If the public authority's conclusion is **none** in respect of all of the Section 75 equality of opportunity and/or good relations categories, then the public authority may decide to screen the policy out. If a policy is 'screened out' as having no relevance to equality of opportunity or good relations, a public authority should give details of the reasons for the decision taken.

If the public authority's conclusion is **major** in respect of one or more of the Section 75 equality of opportunity and/or good relations categories, then consideration should be given to subjecting the policy to the equality impact assessment procedure.

If the public authority's conclusion is **minor** in respect of one or more of the Section 75 equality categories and/or good relations categories, then consideration should still be given to proceeding with an equality impact assessment, or to:

- measures to mitigate the adverse impact; or
- the introduction of an alternative policy to better promote equality of opportunity and/or good relations.

In favour of a 'major' impact

- a) The policy is significant in terms of its strategic importance;
- b) Potential equality impacts are unknown, because, for example, there is insufficient data upon which to make an assessment or because they are complex, and it would be appropriate to conduct an equality impact assessment in order to better assess them;
- c) Potential equality and/or good relations impacts are likely to be adverse or are likely to be experienced disproportionately by groups of people including those who are marginalised or disadvantaged;
- d) Further assessment offers a valuable way to examine the evidence and develop recommendations in respect of a policy about which there are concerns amongst affected individuals and representative groups, for example in respect of multiple identities;
- e) The policy is likely to be challenged by way of judicial review;
- f) The policy is significant in terms of expenditure.

In favour of 'minor' impact

- a) The policy is not unlawfully discriminatory and any residual potential impacts on people are judged to be negligible;
- b) The policy, or certain proposals within it, are potentially unlawfully discriminatory, but this possibility can readily and easily be eliminated by making appropriate changes to the policy or by adopting appropriate mitigating measures;
- c) Any asymmetrical equality impacts caused by the policy are intentional because they are specifically designed to promote equality of opportunity for particular groups of disadvantaged people;

- d) By amending the policy there are better opportunities to better promote equality of opportunity and/or good relations.

In favour of none

- a) The policy has no relevance to equality of opportunity or good relations.
- b) The policy is purely technical in nature and will have no bearing in terms of its likely impact on equality of opportunity or good relations for people within the equality and good relations categories.

Taking into account the evidence presented above, consider and comment on the likely impact on equality of opportunity and good relations for those affected by this policy, in any way, for each of the equality and good relations categories, by applying the screening questions given overleaf and indicate the level of impact on the group i.e. minor, major or none.

Screening questions

1 What is the likely impact on equality of opportunity for those affected by this policy, for each of the Section 75 equality categories? minor/major/none		
Section 75 category	Details of policy impact	Level of impact? minor/major/none
Religious belief	This is a positive action measure that is available to all eligible early stage businesses in NI; the delivery of the scheme by Invest NI is not likely to impact on the promotion of equality of opportunity.	None
Political opinion	This is a positive action measure that is available to all eligible early stage in NI; the delivery of the scheme by Invest NI is not likely to impact on the promotion of equality of opportunity.	None
Racial group	This is a positive action measure that is available to all eligible early stage businesses in NI; the delivery of the scheme by Invest NI is not likely to impact on the promotion of equality of opportunity.	None
Age	This is a positive action measure that is available to all eligible early stage businesses in NI; the delivery of the scheme by Invest NI is not likely to impact on the promotion of equality of opportunity.	None
Marital status	This is a positive action measure that is available to all eligible early stage businesses in NI; the delivery of the scheme by Invest NI is not likely to impact on the promotion of equality of opportunity.	None

Sexual orientation	This is a positive action measure that is available to all eligible early stage businesses in NI; the delivery of the scheme by Invest NI is not likely to impact on the promotion of equality of opportunity.	None
Men and women generally	This is a positive action measure that is available to all eligible early stage businesses in NI; the delivery of the scheme by Invest NI is not likely to impact on the promotion of equality of opportunity.	None
Disability	This is a positive action measure that is available to all eligible early stage businesses in NI; the delivery of the scheme by Invest NI is not likely to impact on the promotion of equality of opportunity.	None
Dependants	This is a positive action measure that is available to all eligible early stage businesses in NI; the delivery of the scheme by Invest NI is not likely to impact on the promotion of equality of opportunity.	None
2 Are there opportunities to better promote equality of opportunity for people within the Section 75 equalities categories?		
Section 75 category	If Yes , provide details	If No , provide reasons
ALL	At this time there are no opportunities to further promote equality of opportunity, other than to ensure that the application process is accessible to all relevant businesses, irrespective of Section 75 grounds.	

3 To what extent is the policy likely to impact on good relations between people of different religious belief, political opinion or racial group? minor/major/none		
Good relations category	Details of policy impact	Level of impact minor/major/none
Religious belief	No indication that the delivery of this Scheme will impact on any Section 75 ground.	None
Political opinion	No indication that the delivery of this Scheme will impact on any Section 75 ground.	None
Racial group	No indication that the delivery of this Scheme will impact on any Section 75 ground.	None

4 Are there opportunities to better promote good relations between people of different religious belief, political opinion or racial group?		
Good relations category	If Yes , provide details	If No , provide reasons
Religious belief		The delivery of the Scheme by Invest NI is not likely to impact on good relations.
Political opinion		
Racial group		

Additional considerations

Multiple identity

Generally speaking, people can fall into more than one Section 75 category. Taking this into consideration, are there any potential impacts of the policy/decision on people with multiple identities?

(For example; disabled minority ethnic people; disabled women; young Protestant men; and young lesbians, gay and bisexual people).

Provide details of data on the impact of the policy on people with multiple identities. Specify relevant Section 75 categories concerned.

N/A

Part 3. Screening decision

If the decision is not to conduct an equality impact assessment, please provide details of the reasons.

Invest NI is committed to delivering this programme of work by checking and processing applications from those early stage businesses that are regarded as eligible for support in a wholly professional and timely manner. The criteria for eligibility, and the application process, reflect closely on those already put in place to assess support within Invest NI, and no new criteria are likely to have an adverse impact on any Section 75 category. Invest NI will continue to ensure that any obstacles standing in the way of applicants that relate to Section 75 grounds (e.g. language) will be dealt with in a fair, reasonable and proportionate manner.

If the decision is not to conduct an equality impact assessment the public authority should consider if the policy should be mitigated or an alternative policy be introduced.

Reasonable adjustments will be made to the application process for those with a disability and for those whose first language may not be English.

If the decision is to subject the policy to an equality impact assessment, please provide details of the reasons.

All public authorities' equality schemes must state the authority's arrangements for assessing and consulting on the likely impact of policies adopted or proposed to be adopted by the authority on the promotion of equality of opportunity. The Commission recommends screening and equality impact assessment as the tools to be utilised for such assessments. Further advice on equality impact assessment may be found in a separate Commission publication: Practical Guidance on Equality Impact Assessment.

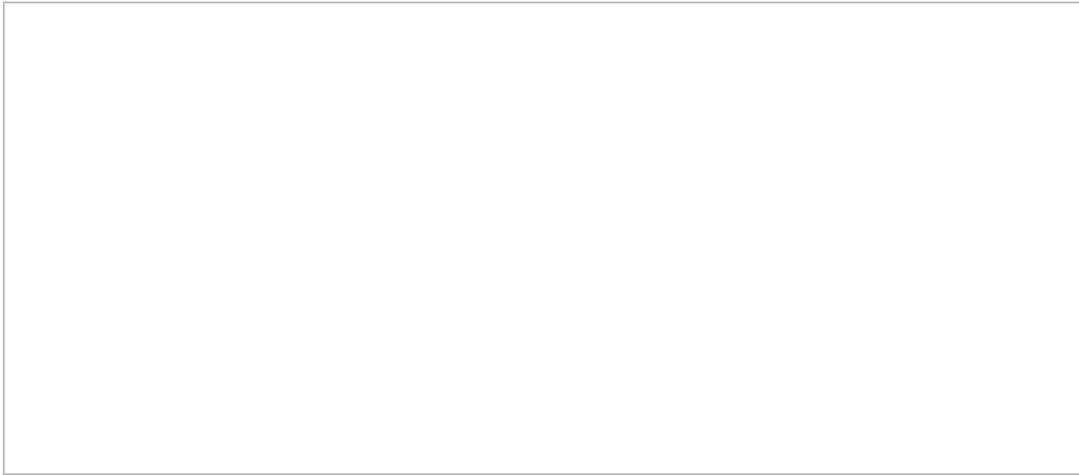
Mitigation

When the public authority concludes that the likely impact is 'minor' and an equality impact assessment is not to be conducted, the public authority may consider mitigation to lessen the severity of any equality impact, or the introduction of an alternative policy to better promote equality of opportunity or good relations.

Can the policy/decision be amended or changed or an alternative policy introduced to better promote equality of opportunity and/or good relations?

If so, give the **reasons** to support your decision, together with the proposed changes/amendments or alternative policy.

N/A



Timetabling and prioritising

Factors to be considered in timetabling and prioritising policies for equality impact assessment.

If the policy has been '**screened in**' for equality impact assessment, then please answer the following questions to determine its priority for timetabling the equality impact assessment.

On a scale of 1-3, with 1 being the lowest priority and 3 being the highest, assess the policy in terms of its priority for equality impact assessment.

Priority criterion	Rating (1-3)
Effect on equality of opportunity and good relations	
Social need	
Effect on people's daily lives	
Relevance to a public authority's functions	

Note: The Total Rating Score should be used to prioritise the policy in rank order with other policies screened in for equality impact assessment. This list of priorities will assist the public authority in timetabling. Details of the Public Authority's Equality Impact Assessment Timetable should be included in the quarterly Screening Report.

Is the policy affected by timetables established by other relevant public authorities?

If yes, please provide details

Part 4. Monitoring

Public authorities should consider the guidance contained in the Commission's Monitoring Guidance for Use by Public Authorities (July 2007).

The Commission recommends that where the policy has been amended or an alternative policy introduced, the public authority should monitor more broadly than for adverse impact (See Benefits, P.9-10, paras 2.13 – 2.20 of the Monitoring Guidance).

Effective monitoring will help the public authority identify any future adverse impact arising from the policy which may lead the public authority to conduct an equality impact assessment, as well as help with future planning and policy development.

Invest NI will monitor the processing of applications for the schemes and where issues arise that relate to Section 75 considerations then appropriate actions will be taken to remedy these issues.

Part 5 - Approval and authorisation

Screened by:	Position/Job Title	Date
Pamela Marron	Equality Manager	08/06/20
Approved by:		08/06/20
	<u>Director</u>	

Note: A copy of the Screening Template, for each policy screened should be 'signed off' and approved by a senior manager responsible for the policy, made easily accessible on the public authority's website as soon as possible following completion and made available on request.

APPENDIX 1

Access to Finance – Summary of Fund Investment Policies

General

- Companies must be SMEs with their operation substantially based in Northern Ireland; and
- Companies must not be established in prohibited territory or maintain business relations with entities incorporated in prohibited territories.

Priority Sectors

General focus will be on technology and innovative businesses in the early and seed stage, with the following sectors designated as priority:

- Advance manufacturing, materials and engineering (including materials handling);
- Digital and creative technologies;
- Life and health sciences;
- Cyber security;
- Precision medicine; and
- Big data / internet of things / analytics.

Investment Criteria

Companies must be able to demonstrate all of the following features:

- Significant international market opportunity;
- Innovative technology;
- Scalable business model;
- Credible promoters;
- Export growth prospects; and
- Exit strategy.

Excluded Sectors and Businesses

There will be no investment in the following excluded sectors or businesses:

- Coal;
- Steel;
- Shipbuilding;
- Enterprises in difficulty (within the meaning of the community guidelines on State Aid for rescuing and restructuring firms in difficulty);
- Decommissioning or the construction of nuclear power stations;
- investment to achieve the reduction of greenhouse gas emissions from activities listed in Annex 1 to Directive 2003/87/EC;
- Manufacturing, processing and marketing of tobacco and tobacco products;
- Investment in airport infrastructure unless related to environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact;
- Fishery and aquaculture sections supported by European Fisheries Fund;
- Primary production, processing and marketing of agricultural products, supported by the European Agricultural Fund for Rural Development;

- Synthetic fibres sector;
- Generalised (school age) education;
- Banking and insurance companies;
- Defence and safety; and
- Retail business (supporting or refurbishing retail facilities).