



# Invest NI Board Operating Framework

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## Version Control

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1.1	Carol Keery	7 <sup>th</sup> October 2015	Board comments incorporated	1 <sup>st</sup> April 2017
1.2	Colin Morelli	29 <sup>th</sup> March 2017	Review completed. Clarification of conflicts of interest/Register of Interests and various clerical amendments required.	1 <sup>st</sup> April 2019
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## 1. INTRODUCTION

Invest NI is a 'Non Departmental Public Body' (NDPB) established on 1 April 2002 under the Industrial Development Act (Northern Ireland) 2002. It is sponsored by the Department for the Economy (DfE; previously the Department of Enterprise, Trade and Investment (DETI)) under the Industrial Development (Northern Ireland) Order 1982 as amended by the Industrial Development Act (Northern Ireland) 2002. Its principal function is to provide government support for businesses by delivering the Government's economic strategies and making the most efficient use of available resources. Invest NI offers the Northern Ireland business community a single organisation providing high quality services, programmes, support and expert advice.

Invest NI's overall goal is to help to deliver a strong, competitive, regionally balanced economy and to support the development of an innovative and creative society. Its Vision is as follows:

*'we will champion the growth of innovation and exports to build a local economy that completes globally. We will be a world leading business development agency'.*

Invest NI supports business development, help to increase productivity and export levels, attract high quality inward investment, and stimulate a culture of entrepreneurship and innovation. As well as directly assisting businesses, we provide support for sectors that offer high returns for the Northern Ireland (NI) economy. This involves helping to build the connections and infrastructure that will promote excellence in specific areas.

Invest NI has a Board comprising a Chair and not fewer than 10 or more than 20 other members. Board members are appointed by DfE in line with the Code of Practice issued by the Commissioner for Public Appointments for Northern Ireland. At the time of publication, the Board has 11 members, including the Chair.

The Board oversees the achievement of Invest NI's objectives and targets and has responsibility for ensuring the highest standards of corporate governance, efficiency and propriety in the use of public funds. Together with the Seven Principles of Public Life (Appendix 1) and the Nine Principles of Public Service Delivery (Appendix 2), the Board also seeks to promote the core values of the organisation, namely:

- Customer Focus
- Respect
- Integrity
- One Team
- Passion
- Professionalism, and
- Performance

This Operating Framework includes requirements that effectively comprise a Code of Conduct for Board members, as outlined in the model provided by the Department of Finance in FD (DFP) 04/14: 'Code of Conduct for Board Members of Public Bodies (NI)'.

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## 2. ROLES AND RESPONSIBILITIES

### 2.1 The Department for the Economy (the Department)

The Minister for the Economy (“the Minister”) is answerable to the Assembly for the policies and performance of Invest NI including its use of resources and the policy framework within which it operates. The Department has the principal responsibility for developing economic policy in Northern Ireland.

The respective roles of the Department and Invest NI are set out in the ‘Management Statement and Financial Memorandum’ (MSFM) which was reviewed and signed in October 2018.

### 2.2 Invest NI Board

The Board has corporate responsibility for ensuring that Invest NI fulfils the aims and objectives set by the Department and approved by the Minister, for promoting the efficient, economic and effective use of staff and other resources by Invest NI. To this end, and in pursuit of its wider corporate responsibilities, the Board shall:

- a) establish the overall strategic direction of Invest NI within the policy and resources framework agreed with the Minister;
- b) act as a source of advice to the Department and the Minister on the formulation of economic policy and significant policy changes;
- c) constructively challenge Invest NI’s Executive Leadership Team in their planning, target setting and delivery of performance, including considering and endorsing Invest NI’s Corporate Plan and annual Operating Plans and performance targets before submission to the Minister;
- d) support the Invest NI Chief Executive and ELT in making the best possible business decisions and ensure that, in reaching decisions, ELT has taken into account any guidance issued by its sponsor Department and the Department of Finance (DoF)
- e) ensure that the Department is kept informed of any changes that are likely to impact on the strategic direction of Invest NI or on the attainability of its targets, and determine the likely steps needed to deal with such changes;
- f) ensure that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account all relevant guidance issued by DoF and the Department;
- g) ensure that it receives and reviews regular financial information concerning the management of Invest NI; is informed in a timely manner about any concerns relating to the activities of Invest NI; and provides positive assurance to the Department that appropriate action has been taken on such concerns;
- h) demonstrate high standards of corporate governance at all times, including establishing an Audit & Risk Committee (ARC) to help the Board to address the key financial (and other) risks facing Invest NI;
- i) establish such other committees as it considers appropriate to conduct its business and
- j) appoint a Chief Executive of Invest NI in consultation with the Department and, in consultation with the Department, set performance objectives and remuneration terms linked to these objectives for the Chief Executive, which give due weight to the proper management and use of public funds.

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The Board acts as a channel of communication between the Department, industry, academia and Invest NI.

Members of the Board (including the Chair) must seek to ensure that the Chief Executive acts in a manner that does not conflict with his/her duties as Invest NI's designated Accounting Officer.

### 2.3 The Chair

The main role of the Chair, who is responsible to the Departmental Minister, is to provide leadership and strategic direction to Invest NI, ensuring that Invest NI's policies and actions support the wider strategic policies of the Minister and that its affairs are conducted with probity. In addition to sharing with other Board members the corporate responsibilities set out at section 2.2, the Chair has specific leadership responsibility on the following matters:

- a) formulating the Board's strategy by understanding and articulating market needs;
- b) engaging with the Minister and Department on matters pertaining to the strategic direction of overall economic development policy in NI and acting as a channel of communication with government for the business community in relation to current policies and issues which affect it;
- c) making best endeavours to ensure that Invest NI meets its agreed objectives and targets as set by the Minister;
- d) leading Invest NI's Board in its deliberations and ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the Minister or the Department;
- e) encouraging and delivering high standards of regularity and propriety and promoting the efficient, economic and effective use of staff and other resources;
- f) representing the views of the Board to the client base, the target international audience and the general public, and communicating Invest NI's strategy and policies to the business community;
- g) ensuring that the Board meets at regular intervals throughout the year and that the minutes of those meetings accurately record the decisions taken and, where appropriate, the views of individual Board members; and

With respect to the effective operation of the Board, the Chair shall also:

- (a) ensure that all Board members, when taking up office, are fully briefed on the terms of their appointment and their duties, rights and responsibilities, and receive appropriate induction training, including the financial management and reporting requirements of public sector bodies and on any differences that may exist between private and public sector practice;
- (b) advise the Department of the needs of Invest NI when Board vacancies arise, with a view to ensuring a proper balance of professional and financial expertise;
- (c) make recommendation to the Permanent Secretary on the appointment of the Deputy Chair and ARC Chair; and
- (d) assess the performance of individual Board members, who will be subject to ongoing performance appraisal, with a formal assessment being completed by the Chair at the end of each year and prior to any re-appointment of individual members taking place. Members will be made aware that they are

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being appraised, the standards against which they will be appraised, and will have an opportunity to contribute to and view their report. The Chair of the Board will also be appraised on an annual basis by the Departmental Accounting Officer.

The Chair is also responsible for ensuring that a Code of Conduct for Board Members, based on the model '*Code of Conduct for Board Members of Public Bodies (NI)*' (FD (DFP) 04/14 refers), is in place and available to all Board members. The requirements outlined in this Operating Framework effectively provides that Code of Conduct for Board Members.

## 2.4 Individual Board Members

Individual Board members should be aware of their wider responsibilities as members of the Board. Like others who serve the public, they should follow the Seven Principles of Public Life set out by the Committee on Standards in Public Life (these are attached at Appendix 1). Board members must:

- comply at all times with this Code of Practice;
- act in good faith and in the best interests of Invest NI;
- not misuse information gained in the course of their public service for personal, political or corporate gain, nor to use the opportunity of public service to promote their private interests.

Board members are excluded from standing as Members of Parliament or the Northern Ireland Assembly and are expected not to occupy paid party political posts or hold particularly sensitive or high profile unpaid roles in a political party. Subject to those restrictions, they are free to engage in political activities, provided that they are conscious of their general public responsibilities and exercise proper discretion, particularly in regard to the work of the Invest NI Board. On matters directly affecting that work, they should not make political speeches or engage in other political activities.

Board Members comply with the same rules on Gifts, Hospitality and Expenses as Invest NI staff. Policies for these areas are available of the Invest NI Board document repository.

### 2.4.1 Conflicts of Interest

Members of boards and employees of public bodies involved in decision-making processes – particularly involving the use of public monies – must be, and be seen to be, completely selfless and objective. This means that any interest – private, business, political, voluntary or charitable – which might be material and relevant to the business of the body concerned should be declared. Interests are likely to include (but are not restricted to) directorships, appointments, consultancies and shareholdings held by Board members themselves, close family members<sup>1</sup> or other persons whom the public might reasonably think could influence a member's judgement. It must be borne in mind that the appearance or perception of such a conflict could be as damaging as the existence of a real conflict.

<sup>1</sup> Close family members include personal partners, parents, children (adult and minor), dependants, siblings and the personal partners of any of these

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Thus the Chair and other Board members must declare any personal or business interests which may conflict with their responsibilities as Board members. The Board, in consultation with the Department, is required to have arrangements in place which ensure that such conflicts are identified at an early stage and that appropriate action can be taken to resolve them. In particular, members must not participate in the discussion or determination of matters in which they (or close members of their families<sup>2</sup>) have a direct or indirect pecuniary interest. This will normally mean that such members will withdraw from any meeting considering these matters since the continued presence of someone who had declared an interest might be thought likely to influence the judgement of the other members present. Naturally, Board members should declare as soon as practicable after a meeting begins if they have an interest, pecuniary or otherwise, in a matter being discussed. To assist in implementing this rule a Register of Interests will be maintained.

Attached as Appendix 3 are some examples of the circumstances and potential conflicts of interest which might arise for Board Members together with potential solutions.

#### 2.4.2 Register of Interests

Board members will be asked to register all interests, direct or indirect, which members of the public might reasonably think could influence their judgement. Interests are likely to include (but are not restricted to) directorships, appointments, consultancies and shareholdings held by Board members themselves, close family members<sup>1</sup> or other persons whom the public might reasonably think could influence a member's judgement. Responsibility for accurate completion of the register rests with each individual Board Member. All business interests need to be declared, including those which arise as a direct result of the Board Member's role within Invest NI (e.g. where the individual is the Invest NI representative on the Board or Committee of another organisation). Board members can, if they wish, seek the Chief Executive's guidance on this issue. Where a Board Member has, or may have, interaction from a business perspective with Invest NI, they should discuss this in the first instance with the relevant ELT member directly.

Compliance with the Register of Interests is also left to the integrity of the individual concerned and declarations will normally be taken on trust. Nevertheless, should undeclared and relevant information about Board members' interests come to light, this will be taken up with the individual as appropriate.

The Register will be maintained by the Board Secretariat. To ensure that it is regularly updated, a formal request will be made to Board members every six months asking them to check and update the Register. A record will be made in the Board minutes to this effect. The Register of interests will be open to the public and the Board may wish to publish these details, for example in its Annual Report.

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<sup>2</sup> Close family members include personal partners, parents, children (adult and minor), dependants, siblings and the personal partners of any of these

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### 2.4.3 Personal Liability of Board Members

Although any legal proceedings initiated by a third party are likely to be brought against the Board, in exceptional cases proceedings (civil or, in certain cases, criminal) may be brought against the Chair or other individual Board members. For example, a Board member may be personally liable if he or she makes a fraudulent or negligent statement which results in loss to a third party. Board members who misuse information gained by virtue of their position may be liable for breach of confidence under common law or may commit a criminal offence under insider dealing legislation.

However, the Government has indicated that individual Board members who have acted honestly, reasonably, in good faith and without negligence will not have to meet, out of their own personal resources, a personal civil liability which is incurred in execution or purported execution of their Board functions.

### 2.4.4 Transactions between Board Members and Invest NI

Transactions (in the form of financial support or the supply of services irrespective of whether a price is charged) involving an organisation in which a Board member or a close family member<sup>3</sup> has a beneficial interest will be noted in Invest NI's Annual Accounts. The note will identify the Board member, the nature of the relationship, details of the transaction(s) and/or the balance outstanding (where greater than £1,000). It will also confirm that the transaction was dealt with properly and on an arm's length basis.

## **2.5 The Chief Executive and Executive Directors (the Executive Leadership Team)**

The Chief Executive has responsibility, under the Board, for the overall organisation, management, and staffing of Invest NI and for its procedures in financial and other matters, including conduct and discipline. This involves the promotion by leadership and example of the values embodied in the Nolan Committee's Seven Principles of Public Life (Appendix 1) and the Nine Principles of Public Service Delivery (Appendix 2). The Board should support the Chief Executive in undertaking this responsibility.

In cases where the Board may wish to pursue a course of action which the Chief Executive feels is in conflict with his/her role as Accounting Officer, guidance may be found in the MSFM and in Section 3.8 of Managing Public Money Northern Ireland (MPMNI).

The Chief Executive is Invest NI's accounting officer. He or she is responsible to the Assembly and the Accounting Officer of the Department for the resources under his/her control. The essence of the role is a personal responsibility for the propriety and regularity of the public finances for which he or she is answerable; for the keeping of proper accounts; for prudent and economical administration; for the

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avoidance of waste and extravagance; ensuring value for money; for the efficient and effective use of all the resources in their charge and, the organisation, staffing and management of the organisation.

The accounting officer has a responsibility to see that appropriate advice is tendered to the Board on all these matters. Satisfactory performance of these responsibilities is fundamental to the role of the Chief Executive.

More detailed guidance on the role of an accounting officer is set out in Managing Public Money (NI) and HM Treasury's handbook, Regularity and Propriety, which describes what these concepts mean in a financial context. Although the handbook is intended primarily for accounting officers, Non-Executive Board Members (NEBMs) should also familiarise themselves with it.

The Chief Executive and Executive Leadership Team are also responsible for notifying the Board of:

- any matters that threaten the regularity, propriety or value-for-money with which the organisation carries out its business;
- Any significant issues which may impact on the organisation's leadership, medium-term capability and significant risks to delivery of the business, along with mitigating actions taken.

### **3. BOARD MEETINGS & SECRETARIAT**

Board meetings will normally be held on the afternoon of the fourth Wednesday of each month except for the months of July and December (when there will be no meeting).

The Chair, or in his/her absence the Vice-Chair, may authorise a special meeting of the Board on a day and at a time to be agreed by the Chair or the Vice-Chair, as the case may be, to consider any business brought forward by the Chair or Vice-Chair.

#### **3.1 Quorum for Board Meetings**

The quorum for Board meetings is 50% of appointed members plus the Chair (or Vice-Chair). If an urgent meeting is called and the quorum cannot be met, any decisions taken will be communicated immediately to other Board members (by telephone/e-mail) to obtain agreement from a majority of members of these decisions.

#### **3.2 Board Secretariat**

A full Board secretariat support will be provided by the Board Secretary and the Chief Executive's Office. The responsibilities of the secretariat include overseeing the development of meeting agendas, ensuring good information flows between Members and executives and advising the board on due process.

##### **3.2.1 Agenda for Board Meetings**

The Agenda for Board meetings will be determined by the Chair in consultation with the Chief Executive. Members may request matters for discussion either during Board meetings or directly to the Chair. Agenda items should be put to the Chair

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within one week following the last Board meeting. If there are any doubts about the appropriateness of items tabled or to be tabled for discussion, it will be for the Board to decide by majority vote at that meeting if the matters should be on the agenda.

### **3.2.2 Papers for Board Meetings**

Papers being tabled at Board meetings will be posted in Invest NI's meeting management system. Members will be advised by the Board Secretary advising that the papers are available to review and annotate.

### **3.2.3 Invest NI Staff at Board Meetings**

The Chief Executive and Executive Directors shall attend all Board meetings as well as the Director responsible for the Board. Other employees or persons seconded to Invest NI from outside bodies may be invited to attend part/all of Board meetings to discuss/make presentations on papers submitted or topics raised by the Board

### **3.2.4 Record of Meetings**

The key points discussed and decisions taken at Board meetings will be recorded in draft minutes which will then be tabled for approval at the next Board meeting, signed by the Chair after that meeting and retained for future reference.

## **4. DECISIONS BY BOARD**

A majority approval by those present at the Board meeting will constitute a decision by the Board. Such decisions (assuming they are within the competence of the Board) are final unless subsequently formally rescinded by the Board. In the event of a tied vote the Chair will have a casting vote.

### **4.1 Decisions Remitted to the Board**

The matters listed below are those dealt with by the Board. All other matters have been delegated to the Chief Executive and Executive Leadership Team.

- Approval of all Casework Proposals over £1m
- Approval of Corporate Plan/Operating Plans
- Approval of Significant Programme Evaluations
- Review and recommendation of Annual Report & Accounts (including the Governance Statement) to be signed by the Accounting Officer
- Recommendation of Chief Executive's Remuneration to Minister for Approval
- Appointment of Chief Executive
- Provision of Advice to the Minister on the formulation of economic policy
- Chair's role in selection of Board Members
- Chair/Board – approval of sub-committees (ARC/REMCO)
- Setting the organisational risk appetite

The Board will also agree, annually, a work programme, including standing items for consideration monthly, quarterly or as appropriate. These will include:

- current Board priorities
- monthly management accounting information;

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- monthly and / or quarterly reports on human resource issues, including succession planning, staff numbers and managing attendance;
- disclosure of all Ministerial Directions;
- progress in relation to Corporate Balanced Scorecard;
- Reports from Board committees;
- Corporate Risk Register

## 5. INDUCTION & TRAINING

An induction day will be arranged for new Members as soon as possible following appointment and where possible, in advance of their first Board meeting. Members will be provided in advance of the induction day with a number of key organisational documents and governance information.

Induction will normally cover the organisation's business environment and an introduction to each of the operational divisions. New members will be apprised of their role and responsibilities as Board Members and given clear information as to what is expected of them in the interests of good governance and what is expected in terms of good corporate governance.

Additional internal developmental training will be provided following appointment as required, and Members are encouraged to identify any additional training needs they feel necessary to carry out their duties as a Board Member.

Within 6 months of appointment, Members will be asked to attend a formal external governance training course.

## 6. BOARD EFFECTIVENESS

The Board shall take time at least annually, to review its operating procedures and its effectiveness (which may include from time to time a formal self-assessment), with emphasis on relationships, documentation and the Board's capacity to challenge. Participation in this review shall be compulsory for all Members.

The annual effectiveness review will also consider the current mix and balance of skills and understanding on the Board.

Evaluation of each Member's performance shall be undertaken annually by the Chair in conjunction with each individual Board Member. The opportunity will also be taken to identify any training or development needs appropriate for individual Members which have not already been identified during the year. A copy of each evaluation report is sent to the Department. Participation in the individual appraisal process shall be compulsory for all Members.

## 7. BOARD COMMITTEES

The discharge of some of the Board's responsibilities is delegated to the following Committees:

- Audit & Risk Committee
- Remuneration Committee (REMCO)

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## 7.1 Audit & Risk Committee

The Audit & Risk Committee will provide support and advice to the Board and the Accounting Officer by monitoring and reviewing risk management, governance and internal control processes which have been established in the organisation, and the associated assurance processes.

The Audit & Risk Committee will assist the Board in fulfilling its corporate governance responsibilities. Corporate governance responsibilities include all aspects of internal control, risk management and audit, both internal and external. The Audit & Risk Committee will also oversee the financial reporting processes.

The Objectives of the Audit & Risk Committee are to:

- a) endorse the organisation's risk management strategy / policies and take responsibility for the oversight of the risk management process;
- b) continuously monitor and review the processes of risk identification, mitigation and management operated by the organisation and provide assurance to the Board that management of risk is in line with the risk management strategy;
- c) encourage the highest standards of propriety in the use of public funds and proper accountability for those funds;
- d) improve the quality of financial reporting by reviewing internal and external financial statements on behalf of the board;
- e) ensure a climate of financial discipline and control which will aim to eliminate the potential for financial mismanagement including review of the adequacy of anti-fraud policies, whistleblowing processes and arrangements for special investigations;
- f) review the internal and external audit processes and programmes to ensure that they are providing the assurance required and to monitor implementation of agreed audit recommendations;
- g) promote the development of internal control systems which will help to satisfy the Board that Invest NI will achieve its key objectives and targets and is operating:
  - in accordance with the relevant statutory requirements for the use of public funds;
  - within the delegated authorities laid down by the Department for the Economy in Invest NI's Management Statement and Financial Memorandum; and
  - in a manner which will make the most economic and effective use of the resources available; and
  - in a manner which adequately safeguards Invest NI's assets (financial and otherwise).

## 7.2 Remuneration Committee (REMCO)

The Remuneration Committee (REMCO) is responsible for:

- a) In respect of the Chief Executive:
  - to draft, on an annual basis for agreement by the Board, those targets/performance indicators against which the performance of the Chief Executive will be assessed;
  - To make a recommendation on the Chief Executive's annual pay increase.

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## THE SEVEN PRINCIPLES OF PUBLIC LIFE

### Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

### Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

### Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

### Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

### Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

### Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

### Leadership

Holders of public office should promote and support these principles by leadership and example.

*The Government endorsed the Seven Principles of Public Life in "Spending Public Money: Government and Audit Issues". Cm 3179, March 1996*

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## THE NINE PRINCIPLES OF PUBLIC SERVICE DELIVERY

### Set standards of service

Set clear standards of service that users can expect; monitor and review performance; and publish the results, following independent validation wherever possible.

### Be open and provide full information

Be open and communicate clearly and effectively in plain language, to help people using public services: and provide full information about services, their cost and how well they perform.

### Consult and involve

Consult and involve present and potential users of public services, as well as those who work in them; and use their views to improve the service provided.

### Encourage access and promotion of choice

Make services easily available to everyone who needs them, including using technology to the full, and offering choice wherever possible.

### Treat all fairly

Treat all fairly; respect their privacy and dignity; be helpful and courteous; and pay particular attention to those with special needs.

### Put things right when they go wrong

Put things right quickly and effectively; learn from complaints; and have a clear, well publicised, and easy-to-use complaints procedure, with independent review wherever possible.

### Use resources effectively

Use resources effectively to provide best value for taxpayers and users.

### Innovate and improve

Always look for ways to improve the services and facilities offered.

### Work with other providers

Work with other providers to ensure that services are simple to use, effective and co-ordinated, and deliver a better service to the user.

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## CONFLICTS OF INTEREST

CIRCUMSTANCE	POTENTIAL CONFLICT	PROPOSED SOLUTION
(A) Board Member's company / partnership as a prospective provider of services to Invest NI.	<p>A Board Member dealing with the award of contracts could be influenced by a desire to "help" the Chair or another Board Member.</p> <p>Board Member could be party to a <u>bid by his/her company / partnership</u> for Invest NI business.</p> <p>Board Member could be party to <u>the Invest NI decision</u> to purchase the service.</p>	<p>Comprehensive register of Interests (and note of any potential conflicts, general or particular).</p> <p>Open, transparent procurement procedures operated by the executive with no involvement by the Board</p> <p>Member involved agrees to take no part in the formal tendering process in his/her company/partnership.</p> <p>Member involved withdraws from any Invest NI discussion and withdrawal recorded.</p>
CIRCUMSTANCE	POTENTIAL CONFLICT	PROPOSED SOLUTION
(B) Company with which a Board Member is associated (in person or through close family connections) applies for financial support from Invest NI.	Member could be (or could be perceived to be) able to influence decision to the advantage of the company.	<p>Comprehensive register of Interests.</p> <p>Member declares a particular interest and takes no part in any decision-making by the Board. At Board meeting, declaration and withdrawal recorded.</p> <p>It may be that in some smaller companies there is no one, other than the Invest NI Board Member able to undertake on its behalf discussions with Invest NI. In such cases, providing the company employs less than [10] people and/or has an annual turnover of less than £250,000, the Invest NI Board Member will be free to participate in negotiations with the Invest NI team about possible support for the company. The Board Member must not take part in any Board Casework committee or Board discussion about the case. Any Invest NI Board Members who are likely to be directly involved in such negotiations with Invest NI must not be appointed to the Board Audit Committee or Board Remunerations/ Performance Committee, or any Panel considering appointments to posts within Invest NI.</p>

### Appendix 3

<b>CIRCUMSTANCE</b>	<b>POTENTIAL CONFLICT</b>	<b>PROPOSED SOLUTION</b>
(C) Board Member's company / partnership as advisers to Invest NI client companies.	Board Member would have (or be perceived to have) an inside track on the workings of Invest NI which would enable them (to portray themselves) to be able to exercise influence and maximise grant, etc. from Invest NI.	<p>Clear operating procedures, which would be documented and agreed by Board (as at (A &amp; B) above).</p> <p>Board Member would take no part in the presentation or preparation of any proposal to Invest NI.</p> <p>It may be that in some smaller companies there is no one, other than the Invest NI Board Member able to undertake on its behalf discussions with Invest NI. In such cases, providing the company employs less than [10] people and/or has an annual turnover of less than £250,000, the Invest NI Board Member will be free to participate in negotiations with the Invest NI team about possible support for the company. The Board Member must not take part in any Board Casework committee or Board discussion about the case. Any Invest NI Board Members who are likely to be directly involved in such negotiations with Invest NI must not be appointed to the Board Audit Committee or Board Remunerations/ Performance Committee, or any Panel considering appointments to posts within Invest NI.</p> <p>However, this does not preclude a Board Member introducing to Invest NI a client or prospective client who has only limited knowledge of Invest NI or of doing business in Northern Ireland.</p>
<b>CIRCUMSTANCE</b>	<b>POTENTIAL CONFLICT</b>	<b>PROPOSED SOLUTION</b>
(E) Economic Reviews, magazines or articles published by or on behalf of company, bank or partnership in which Board Member has a direct interest or control.	Review criticises Invest NI or expresses a view critical of or contrary to that of Invest NI.	<p>Board Members would have to clear in advance with the Chair any article for publication penned by them.</p> <p>This requirement would not apply to circumstances where a Member sits on an editorial board and has limited influence on decisions by that board.</p>
<b>CIRCUMSTANCE</b>	<b>POTENTIAL CONFLICT</b>	<b>PROPOSED SOLUTION</b>
(F) Board Member's company / partnership as auditors of Invest NI client companies.	No conflict likely.	Not an issue – company audit covered by Company Law.