ONE HUNDRED AND SEVENTY FIRST MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 29 JANUARY 2020
INVEST NI HQ, BEDFORD STREET, BELFAST

Present:
Invest NI Board
Rose Mary Stalker (Chair)  Brian Baird
Padraig Canavan  Deborah Lange
Ken Nelson  Dr Mark Sweeney
Mark Nodder

In Attendance: Kevin Holland, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan,
Jeremy Fitch, Peter Harbinson, Steve Harper, Alan McKeown and Alistair Moffett

Presentations: Mark Gillan & Lorraine Acheson, Innovate UK
William McCulla and George McKinney

Apologies: Dr Gerard O'Hare, Scott Rutherford, Judith Totten
Minute Taker: Simon Marner

The meeting commenced at 1.00pm.

1 Declaration of Conflicts of Interest
Mark Nodder indicated that he would excuse himself from the meeting during discussion on
Family Owned Businesses. Chair provided an update on the current process for the
recruitment of new members to the Invest NI Board and the conflict of interest issues that
arose with some candidates. Chair indicated that all current non-executive Directors should
continually consider their own management of potential conflicts. Mel Chittock agreed to assist
with this process.
Chair provided Board with an overview of separate project that she is involved with. 4C UR
Future is a not for profit organisation set up by Chair, which she runs on a pro bono basis.
Action: Mel Chittock to write to Board to highlight responsibilities in regard to conflicts
of interest.
1.1 MINUTES
The minutes of the November Board meeting were agreed as a full and true record of the meeting.

1.2 MATTERS ARISING
The Action table was reviewed and addressed.

Mel Chittock advised that he would address the outstanding action allocated to him within item 2.6 Finance Report to Board. Donal Durkan provided an update on the first meeting of the Business Strategy Board Sub Group, which took place on the morning of this meeting.

1.2.1 FAMILY RUN BUSINESSES
Mark Nodder left the meeting for this discussion.

Brian Dolaghan provided an overview of the paper provided as part of the briefing papers. Brian emphasised that businesses of this nature are an extremely important part of our economy but that there are many pros and cons associated with such companies. Brian then went on to provide detail around the issues that led to the downturn in fortunes of the Wright Group and how Invest NI engaged with the company at the time. Brian also confirmed that, on reviewing the case, he believed that the decisions taken by Invest NI, at the time, were correct.

Mark Sweeney stated that he had experience of similar issues, with family run businesses, throughout his career and that he believed there should be an active role for Invest NI in skills development, succession planning and key risk identification. Brian Baird stated that he feels Invest NI should be able to apply conditionality to offers made to such companies, which would help mitigate against the negative factors experienced in the past. Padraig Canavan stated that he too has worked alongside many family run businesses and has seen first-hand how such issues can manifest themselves. Padraig firmly believed that Invest NI has the right to apply conditionality and insist on the involvement of Non-Executive Directors. Jeremy Fitch stated that conditionality can be applied on a case by case basis, though our influence may be limited in certain circumstances. He stated that the Invest NI Leader and Non-Executive Director Programmes can assist in identifying issues arising within family businesses.

Action: Donal Durkan to add this topic to the agenda for Board Strategy Day.

2. ITEMS FOR DISCUSSION
Mark Nodder re-joined the meeting at this stage
2.1 INVESTING IN INNOVATION – MARK GILLAN, INNOVATE UK

Chair welcomed Mark Gillan, Chief Technology Officer and Lorraine Acheson NI Manager, Innovate UK to meeting. Mark provided Board with details of his background and career to date, prior to presenting an overview of the work of Innovate UK and how it engages with businesses. Mark said that awareness of Innovate UK is low in Northern Ireland and that he is keen to work with relevant bodies, including Invest NI, to promote the funding streams available to businesses. Lorraine advised that there was a low number of applications from NI and that other regions across UK are more prominent in lobbying on behalf companies in their respective locations. To address this Kevin Holland was encouraged to take up an invitation to attend a Science & Innovation Strategy Forum in London on 13th February. Kevin indicated that he has a prior engagement but that he would give consideration to sending a deputy.

*Action: ELT to consider possible attendees and engage with Lorraine Acheson.*

Mark Gillan informed Board that he would be meeting the new UKRI CEO on Tuesday 4th February and would welcome input from Invest NI on potential topics of discussion.

*Action: Jeremy Fitch agreed to compile input from across Board & the Executive Team and provide to Mark ahead of his meeting.*

Lorraine advised that timeline barriers currently exist regarding getting consortia together in time to enter funding competitions. Only early engagement will make the timelines work. Jeremy advised that the Innovation, Research & Development Division will be looking to work with the companies identified to ascertain if Invest NI support can be provided in order to assist with bids which are seen as good projects.

Mark Sweeney asked Mark Gillan if he believed there were any areas in which NI should be doing better, to which Mark replied that NI should be doing a better job of promoting the benefits of Belfast Harbour being a deep water port with an airport close by.

Chair thanked Mark for making Northern Ireland the first of his regional visits in his new role. Mark’s point in regards to the benefits of lobbying was well taken and Chair gave assurance that Board would work with Ministers to better support companies progressing with bids.
2.2 Brexit, Economic & Political Update

Donal Durkan provided an overview of the current state of play in regards to the UK’s exit from the EU on Friday 31st January 2020 and advised that the Transition Period begins immediately. Donal advised that a Joint Committee between EU/UK is to be established to consider the NI Protocol, and that, as outlined in the ‘New Decade, New Approach’ document the UK Government has committed to ensuring that representatives from the NI Executive are invited to be part of the UK delegation in any meetings of the UK/EU Specialised or Joint Committees discussing NI specific matters. Donal added that that within ‘New Decade, New Approach’ there is a commitment to establish a Brexit Sub-Committee, to be chaired by the First and deputy First Ministers, or their nominated representatives.

Donal advised that Invest NI would continue to work closely with colleagues in DfE as further clarity is provided on the impact of the NI Protocol on NI businesses. Advice, guidance and support will continue to be available to businesses throughout this process.

Donal advised Board that the Economy Committee will be holding a committee meeting at Invest NI HQ on 12th February. The committee has requested a briefing on Brexit related actions and activities.

2.3 CEO Report to Board

The CEO advised Board on the amendments made to the presentation of the CEO Report and that, alongside the full version, there now sits a shorter abridged version. Several Board members complimented the new format and confirmed it made the large volume of information easier to digest.

In response to Kevin’s Economic Context overview, Mark Sweeney stated that, whilst NI was in a period of full employment, growth is sluggish and the stress on skills may become greater and flow of skills may decrease post-Brexit. He asked are we ahead of the curve on this.

Deborah Lange stated that independent contractors are finding it increasingly hard to find that type of work and explained that this may possibly be due to IR35. This labour market detail may be an early indicator of an economic downturn and should be incorporated into the Business Strategy planning.

Action: Donal Durkan to provide relevant detail on any labour market trends as part of Board Strategy day.

Kevin noted that he had already undertaken 30 visits and participated in roundtable meetings with >90 stakeholders. He noted interaction with Councils and explained that he had found them to be very open and honest discussions and that interesting things can be done together
regarding selling NI as a while, and then the regional differences around this. During his visits he noted great evidence of entrepreneurship and identified that engendering this entrepreneurial spirit in young people is vital.

Kevin confirmed that Clarendon have successfully tendered to run the appointment process for HR Director. Chair stressed the success of outreach for the Board appointment process and asked that Board and Executive do this for the HR Executive Director role.

2.4 CHAIR / CEO ROLE OBJECTIVES
Chair introduced this item for discussion and confirmed with group that everyone had reviewed objectives, as defined for roles of both Chair and CEO.

Kevin gave an overview of each of his individual objectives and stressed that, a) he is keen to fully develop a well-articulated investment proposition for NI b) he will seek a detailed understanding of the organisations budget for the coming years and sectoral breakdown of where budget will be focused and c) he sees the importance of outreach and the role Board can play in that outreach.

Action: Board members to indicate how and where they can involve themselves in outreach events

In providing feedback, both Padraig and Mark Sweeney stated that these objectives needed to become more SMART in nature.

In going through her objectives, Chair stressed that they were written by the previous Permanent Secretary and, with a Minister now in place, there may be the opportunity for adjustment/refocussing. It was clear from current objectives that a great deal of focus has been placed on Governance issues and Invest NI’s engagement with DfE. Mark Sweeney and Mark Nodder said these objectives could be SMART with the primary purpose of Invest NI and could be more inspiring in tone and that, rather than monitoring and reacting, objectives should focus on being proactive and forwarding planning in order to drive and improve.

Brian Baird stated that outreach could be prioritised and that he sees ongoing contact with Enterprise Ireland as essential and a key route into Europe. Deborah Lange agreed with Brian and emphasised that the Belfast – Dublin – London triangle would critical in a post Brexit environment.

With possible Budget reduction coming into force, Brian Dolaghan stated that Board should focus on the importance of messaging and how we highlight the importance of the Economy, set against wider societal issues. Chair agreed with Brian’s comments and added that, with
forthcoming changes to funding model, priority should be given to securing projects which provide biggest societal impact.

2.5 Q3 PERFORMANCE UPDATE

William McCulla and George McKinney joined the meeting in order to present an update on Quarter 3 performance. The update was focused on performance against Invest NI’s Operational Scorecard and was provided on the basis of offers approved.

In covering the Customer Satisfaction quadrant William advised that, whilst outturn tracked down across Q2, it still remains comfortably within target across all three measures. Within the People & Culture Quadrant, absence rate has remained broadly static across the previous 3 months, to December 2019 and we are on course to deliver target by year-end. William also stated that the Best Companies top 100 target had been missed and that Paddy Robb, Strategy Manager, will come to Board at a later stage in the year to present the full results.

In covering the Performance Quadrant George stated that strong performance continues across Local Jobs, with External Jobs and ‘New to NI’ jobs slipping slightly behind profile. Steady progress continued through December on R&D Investment and the forecast position has improved again for Skills Investment through December (increased from c£44m to c£46m). A strong performance across December (c£2m investment secured) on Innovation Investment has lifted forecast to just below the £16m target (£15.6m). Trade targets have been achieved on both an annual and a 4 year basis.

George stated that the 86% of external jobs are paying above NI PSM in 2019/20 and 77% across the current Business Strategy, the Chair asked that further information be provided to ensure that these assisted jobs are not responsible for driving salary / wage inflation in specific sectors.

**Action: Steve Harper to provide update to March Board**

In regard to First Time Innovator target Chair queried whether there was any ways in which Invest NI could capture details of those companies who are innovating but who we are yet to engage with. Brian Baird agreed and stated that we need to better understand how many businesses we can target in this area.

**Action: Jeremy to look at potential new levers in order to assist in hitting 4 year Corporate Target by end 20/21.**
2.6 FINANCE REPORT TO BOARD
Mel Chittock asked the Board to note the Finance Report and stated that his update would cover two main areas, current year progress and outlook for future years.

Mel stated that Year to Date expenditure on Programme activity, to the end of December, was £98.2M, which was slightly up on the same period last year. On Admin we had reported that we were bidding for the increase in pension costs, c.£464k. Mel confirmed that the majority of this has been allocated.

In terms of forecasting to the end of the year we do have some Resource pressure based on current estimates, which could be up to £1.5M. Finance continues to work closely with divisions to manage this and anticipates delivering an outcome close to budget.

Initial indications are that the Centre will be allocating 1 year budgets again, which creates some difficulties in forward planning. The Department have been clear that they are facing a Resource pressure of between £29M - £31M. This is believed to be in the main salary pressures across Colleges.

For 20/21 the Department have identified uncommitted Resource of c £29M, which includes £27M in what they call Economic and Business Development – largely Invest NI. Mel stated that he would dispute this figure for Invest NI and that it fails to take account of the loss of ERDF for next year and future years.

Ministers met last week to discuss Executive priorities and discussions are also ongoing with Treasury. Mel expects that decisions on budget allocations will be clarified in the next two to three weeks. If we are subject to a budget cut, and indications are that we will be, we will introduce controls on when and how we commit expenditure. The extent of this will be dependent upon how severe a cut is imposed on us.

2.7 ENGAGEMENT WITH KEY PARTNERS & STAKEHOLDERS
Donal reviewed the paper provided to Board which outlined in detail ongoing engagement with key partners and stakeholders.

Chair praised the extent of the work being done with partners and stakeholders and asked that a new column be added to the table to incorporate Board members, so that they too can
be engaged in outreach activities. Chair encouraged Board to self-nominate against respective stakeholder areas.

**Action:** Board support to seek nominations from Board Members on further engagement with partners and stakeholders.

### 2.8 BOARD STRATEGY AGENDA

Donal provided an update on plans ahead of the Board Strategy Day, scheduled for Wednesday 26th February and confirmed that the first meeting of the Business Strategy Sub-Group took place earlier today. In taking the Board through the Board Strategy Agenda, Donal stated that there may be a requirement for Invest NI to have 1 year strategy to facilitate alignment with a new PfG in 2022.

Chair stated that another meeting of the Business Strategy Sub-Group should be considered before the Board Strategy Day in order to clearly set out the agenda and focus for the day.

**Action:** Donal to arrange another meeting of the Board Sub-Group

Brian Baird added that, with full employment in NI, we should be creating value. However we must be able to measure that value, because if we can't measure it, we can't articulate it. Donal responded that he would work to incorporate this within Strategy Day agenda and confirmed that he is due to meet with Neil Gibson on 5th February in order to agree format and facilitation of Strategy Day.

**Action:** Donal to ensure that the ‘value proposition’ is considered as part of the Board Strategy Day agenda

Chair asked if consideration should be given to establishing a Next Generation Board. Donal replied that we currently have an Under 35 Strategy Working Group and that he would facilitate connections between that group and external bodies regarding the potential for joint workshops.

**Action:** Donal to facilitate engagement between the Invest NI Under 35 Strategy Working Group and external bodies

### 3. MONTHLY REPORTING TO BOARD BY EXCEPTION

### 3.1 MARKETING AND COMMUNICATIONS REPORT

This report was noted by Board members and taken as read.
3.2 CASEWORK REPORT TO THE BOARD
This report was noted by Board members and taken as read. Brian Dolaghan thanked Board members who were involved in recent time consuming casework panels.

4. CHAIR’S BUSINESS
Chair provided some brief feedback on breakfast event with Business Organisations that both Chair and CEO hosted earlier in the day. Kevin stated that it had been a good engagement and discussion centred on what business can do for society and that there was universal support for a common business message.

Chair also provided some feedback on the recent Partnership Agreements Workshop, which Chair, CEO, Judith Totten & Mel Chittock attended. Mel then went on to inform Board of the ongoing discussions that were taking place with Department around possible changes to Invest NI delegations. Mel committed to providing further update as the project progresses.

Chair provided overview of project which she is currently taking forward with QUB & Manufacturing NI around the formation of an NI Productivity Forum. Plans are at an early stage but Chair committed to keeping Board informed on progress.

A.O.B.

5. DATE OF THE NEXT BOARD MEETING
The next Board meeting will be Wednesday 26th February 2020 and will be held at Invest NI HQ.

The Board Meeting ended at 4.50pm.

Simon Marner, January 2020

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Chair
Present:
Invest NI Board
Rose Mary Stalker (Chair)  Brian Baird  
Dr Gerard O’Hare  Judith Totten 
Padraig Canavan  Deborah Lange 
Ken Nelson  Dr Mark Sweeney 
Mark Nodder

In Attendance: Kevin Holland, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Alan McKeown

Apologies: Scott Rutherford

Minute Taker: Simon Marner

The meeting commenced at 9.00am.

1 Declaration of Conflicts of Interest
No Conflicts of Interest were declared

1.1 MINUTES
The minutes of the January Board meeting were agreed as a full and true record of the meeting.

1.2 MATTERS ARISING
The Action table was reviewed and addressed.

Mel Chittock provided an update in regards to Action 1 and advised that, as part of the induction process for new Board members, he planned to include an exercise on conflicts of interest, which will also be rolled out to existing Board members. Chair supported by Secretariat plans to have a CoI review with all new and continuing Board Members. Additionally, Mel reminded the Board, should any real or perceived conflicts of interest arise for Board members, specifically in regard to their interactions with Invest NI, then individual
Board members should direct their enquiries to the relevant ELT member to avoid any risk of conflict arising.
Deborah Lange requested that specific training for ARC members be factored into the forward planning.

Board indicted that, on review of the paper provided by Jeremy Fitch, they were content to close off the specific action in regard to family run businesses. However, the Board asked that the subject be added to the rolling topic list for future review.

Alan McKeown advised that work is ongoing in regard to developing a strategic approach to engagement with key partners and stakeholders and that he will bring an updated proposal to Board in April.

Steve Harper provided verbal update on Action 6 and analysis he had undertaken to assess any correlation between jobs above the NI PSM and wage inflation. Steve’s analysis was focused on 5 job roles and used information from a number of sources. Steve compared growth rates in Northern Ireland to those in the US, RoI and the rest of the UK and found that NI was lower than the US, similar to RoI and somewhere in the middle, when comparing to the rest of the UK. Over the 5 year period assessed it was shown that the NI roles have the lowest compound inflation in comparison to London, Manchester & Dublin. Salaries in NI were found to be lower than the other regions mentioned. A study, by Bond, found that NI has better control of all salaries and, unlike other regions, it is not over-paying for certain job roles. Steve concluded that there is currently no cause for alarm but that he will continue with his analysis and provide a further update to Board.

**Action: Steve Harper to provide update at April Board.**

Remaining actions from January Board meeting were noted and agreed.

2. **ITEMS FOR DISCUSSION**

2.1 **CEO REPORT TO BOARD**

The CEO provided an overview of the meeting he, and the Chair, had with the Minister on Tuesday 25th February to provide a briefing on Invest NI actions and priorities. The meeting had been very positive and there would be an opportunity for Board members to meet Minister, at the Board Strategy Dinner, later in the day.
OFFICIAL – SENSITIVE – COMMERCIAL

The CEO provided an update on the ongoing Coronavirus outbreak and the work the organisation is doing to mitigate any impact on operations.

Kevin reflected on the CEO Report itself and went on to address a few of his highlights throughout the month of January. He noted that the Leadership for Growth programme had now commenced and that we hosted the Journey to Business Excellence Conference at the Titanic Belfast, which was attended by approximately 350 companies. There were also two very positive inward visits, with delegations from Qatar and Cambodia.

Kevin confirmed that there will be a Ministerial visit to the US in March, to include FM, dFM and Economy Minister. Interviews for post of Executive Director, HR, will commence week commencing Monday 2\textsuperscript{nd} March.

2.2 FINANCE REPORT TO BOARD

Mel Chittock asked the Board to note the Finance Report and stated that the report shows that we are broadly in line with the final allocated budget, post monitoring rounds, although we were reporting pressure in both Resource and Capital.

To bring the Report up to date Mel highlighted that this is in relation to a small element of Resource and Capital pressure of £1.5M and £1.0M respectively. Some element of pressure was within the Regional Team but, with easement in other Divisions, we have been able to allocate budget cover to the Regional Team and the overall organisation wide pressure has largely dissipated over the last few days. In relation to Capital we have some additional clawback and therefore anticipating an outturn close to the budget allocation.

With respect to future year allocations, we have not yet had confirmation of future years. The pressure facing Invest NI has been clearly articulated and was discussed directly with the Minister.

Mel provided feedback on recent discussions, with both the Dept and Minister, in respect of recent budget discussions and advised that it may be some weeks before the outcome on future allocations is known. In the meantime, Invest NI was continuing to progress active projects from WIP. The Chair reminded ELT that the Board were keen to receive a presentation on Board approved/completed projects and this would be scheduled for a future meeting. It was also agreed that the Finance Report to Board would incorporate information on current WIP to provide a snapshot of future levels of anticipated demand.
2.3 ARC MINUTES NOVEMBER 2019 & VERBAL UPDATE FEBRUARY 2020

Deborah Lange, ARC Chair, presented minutes of November ARC meeting, which were noted by Board members.

Deborah also provided a verbal update in regards to discussions that took place at the February ARC meeting. Deborah began by thanking Gerard O’Hare and Scott Rutherford, whose term as Board members ends in March, for their service to ARC.

Deborah noted that ARC had received a presentation from Mel Chittock on PPEs and that, with Stephen Wightman will present to Board in the near future.

With regards to Internal Audit Service, Deborah confirmed that the Internal Audit plan 2020-21 was agreed but that the Competence Centre audit would be deferred to the new year.

Deborah advised that the NIAO will report on the Wriggbus loan and Competence Centres and that they also have a report forthcoming about Promoting an Entrepreneurial Culture which will, in all likelihood, look at the role played by Invest NI as part of that ecosystem.

Deborah discussed the December 2019 Risk Register and advised that there are currently two risks rated as Very High, in regards to Budget & Skills, and that one new risk had been added, in relation to City Deals. The December 2019 Corporate Risk Register was endorsed by ARC.

Finally, Deborah highlighted a paper provided to ARC which showed that, to December 2019, only 21% of overall 2019/20 spend, on projects, was reviewed by Board. This prompted much discussion by Board and Mel Chittock indicated that he is currently progressing a paper which will give Board a greater visibility of Casework approvals; approved projects with a tail of spend; Work in Progress and details of drawdown against projects (PPEs).

3. MONTHLY REPORTING TO BOARD BY EXCEPTION

3.1 MARKETING AND COMMUNICATIONS REPORT

This report was noted by Board members and the Customer Satisfaction score of 89%, from the broad business base, was highlighted as excellent

3.2 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.
4. **CHAIR’S BUSINESS**

Chair provided some brief feedback on recent and very positive meetings that Chair and CEO had had with Enterprise NI and Enterprise Ireland.

**A.O.B.**

Gerard O’Hare provided commentary on a recent Irish News article, which highlighted disparity on the number of Invest NI hosted FDI visits to Belfast compared to other regions of Invest NI. Gerard noted his disappointment in the spread of these figures and, as Chair of the Board sub regional group, requested that Invest NI do more to ensure a better sub regional split. It was acknowledged that a large number of inward visits (741) had taken place, although this was only one element of work with Councils and more needed to be done.

Following an extensive discussion the Chair concluded that the Board needed more time to discuss and review data and planned regional activities on a more regular basis and were keen for the Executive to continue to develop regional strategies for Board discussion.

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

The next Board meeting will be Wednesday 25th March 2020 and will be held at Invest NI HQ.

The Board Meeting ended at 10.40am.

*Simon Marner*, February 2020

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Chair
ONE HUNDRED AND SEVENTY THIRD MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 25 MARCH 2020
MEETING HELD VIA SKYPE FOR BUSINESS

Present:

Invest NI Board
Rose Mary Stalker (Chair) Brian Baird
Dr Gerard O’Hare Judith Totten
Padraig Canavan Deborah Lange
Ken Nelson Dr Mark Sweeney
Mark Nodder Scott Rutherford

In Attendance: Kevin Holland, Amanda Braden, Mel Chittock, Brian Dolaghan, Donal Durkan, Jeremy Fitch, Peter Harbinson, Steve Harper, Alan McKeown

Minute Taker: Simon Marner

The meeting commenced at 1.00pm.

1 Declaration of Conflicts of Interest
No Conflicts of Interest were declared

1.1 MINUTES

The minutes of the February Board meeting were agreed as a full and true record of the meeting. Mark Nodder proposed and Judith Totten seconded. The Chair reminded ELT that the Board are keen to receive a presentation on approved/completed projects and Mel Chittock advised that this would be scheduled for a future meeting.

1.2 MATTERS ARISING

The Action table was reviewed and addressed and it was agreed that updates, for both outstanding Actions, would be brought to the April Board meeting.

2. ITEMS FOR DISCUSSION

2.1 CEO REPORT TO BOARD

The CEO began his update with giving brief details on the Invest NI response to the ongoing Covid-19 pandemic; Kevin put on record how proud he is to lead the organisation at this time and thanked the team for their continued efforts.
Kevin reviewed the CEO Report itself and began by referring to the Economic Paper, which detailed the global response to Covid-19 and how the impact to the economy will be huge and long term, with many job losses expected.

Within the following Sections of the Report, the CEO noted that, in February, they were offers made to business at a total value of £5m, directed toward 257 projects. Kevin also reflected on the hugely positive NI visit by the Aerospace Growth Partnership in February, and how important it will now be for Invest NI to work with them, in order to assist the Aerospace sector, post Covid-19.

Kevin provided some feedback on his recent trip to the US, where he and Minister Dodds met several companies and made some positive announcements. It also gave them both the opportunity to meet with the East Coast Advisory Council and Kevin emphasised how impressed he was with the NI connections contained therein.

Kevin concluded by assuring Board that, although the current Covid-19 challenge and response is moving at a rapid pace, Invest NI would not lose sight of its Governance responsibilities. Chair thanked Kevin for his Report and applauded his leadership in current environment, noting positive feedback she has received from high levels of Government on the work of Invest NI.

2.2 FINANCE REPORT TO BOARD
Mel Chittock asked the Board to note the Finance Report

Mel highlighted that; as at two weeks ago, the organisation was forecasting an outturn close to budget, although there was still a significant amount of work to be completed in order to manage both the outturn and cash utilisation. He then explained the variances YTD, in respect of both timing and split between capital and revenue.

Mel then detailed the Finance Group’s response in reacting to the Covid-19 impact. The initial response was to ensure that payments continued to be made to both clients and suppliers, recognising that cash flow was a significant issue. In respect of the forecast outturn the position was moving rapidly and there was a very high number of changes to Divisional activities and forecasts. Whilst it was difficult to predict the outturn, the Finance Team were working hard to continue to track movements, adjust controls appropriately and still seek to
land the outturn close to budget category. Plans were still to close the books at end of play on 27th March. The Team were still planning to complete the Annual Report and Accounts in line with the original timetable.

20/21 Budgets - Whilst initial verbal indications from the Department were for a flat cash budget allocation it was important to receive formal confirmation of control totals across all categories as there remained an outstanding issue in relation to expenditure from previous ERDF projects.

Finally, Mel explained how the Department was proposing to implement the Minister’s announcement of grant support to small companies eligible for Small Business Rate Relief, a grant of £10,000 plus support of £25,000 for companies in the hotel, leisure and retail sectors. The Department had proposed channelling support through Invest NI, as it did not have direct grant giving powers. Whilst there was an urgency on this intervention, there was an ongoing discussion as to the appropriate legislative framework. If the funding is to flow through the INI Accounts, this would lead to an excess vote and a qualification of the Accounts. Discussions with the Department were continuing.

3. MONTHLY REPORTING TO BOARD BY EXCEPTION
   3.1 MARKETING AND COMMUNICATIONS REPORT
   This report was noted by Board members and taken as read.

   3.2 CASEWORK REPORT TO THE BOARD
   This report was noted by Board members and taken as read.

4. CHAIR’S BUSINESS
   The Chair took the opportunity to thank the departing Board Members, Gerard O’Hare, Ken Nelson and Scott Rutherford for their service to Invest NI and noted that the new appointees to the Board would be in place in time to attend the April 2020 Board meeting.

6. DATE OF THE NEXT BOARD MEETING
   The next Board meeting will be on Wednesday 29th April 2020 and will be held at Invest NI HQ.
The Board Meeting ended at 2:15pm

Simon Marner, March 2020

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Chair
Present:
Invest NI Board
Rose Mary Stalker (Chair)           Brian Baird
Judith Totten                   Deborah Lange
Padraig Canavan               Kieran Kennedy
Dr Mark Sweeney             Michael McQuillan
Mark Nodder                   Kevin Kingston
Marie-Therese McGivern        Colin Coffey

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

Minute Taker: Simon Marner

The meeting commenced at 12.30pm.

1   Declaration of Conflicts of Interest

Chair welcomed all attendees to the meeting and highlighted that it was the first Invest NI Board meeting for the newly appointed Board Members. Chair handed over to Ian Maxwell who provided details in regards to the management of Conflicts of Interest. It was confirmed that each Board Member would write to the Board Secretary on their respective Interests, and how they plan to manage any real or perceived conflicts. The Chair & Board Secretary will then meet with individual Board members to discuss.

Colin Coffey, Padraig Canavan, Brian Baird, Judith Totten, Michael McQuillan, Kevin Kingston and Deborah Lange provided detail in regards to their other interests and how their customers may have previously received Invest NI support or may indeed seek to secure future support. All aforementioned members assured the Board that they will handle materials provided sensitively and recuse themselves from any discussions where they see a Conflict arising.
Chair declared her interest in 4 C UR Future and how several Invest NI customers would support the initiative but confirmed that there are no Conflicts to manage.

Kevin Kingston declared that Invest NI is a customer of Danske Bank, and the bank has received financial assistance from Invest NI. Mark Nodder, Mark Sweeney, Kieran Kennedy & Marie-Therese had no Conflicts of Interest to declare but confirmed that all material would be handled sensitively.

1.1 MINUTES
The minutes of the March Board meeting were agreed as a full and true record of the meeting.

1.2 MATTERS ARISING
The Action table was reviewed and addressed.

Steve Harper gave an overview of the wage inflation paper. Steve’s analysis concluded that wages, in NI, are not driving inflation at any greater rate than that of the other cities/regions compared, with wage inflation similar, or lower, in NI. Board thanked Steve for the update but noted the impact on smaller businesses from large FDI companies entering the market and offering larger salaries for similar roles.

Steve also addressed the paper provided in relation to the FDI Regional Plan. Steve gave an overview of the work in progress and what the organisation is doing to highlight the role FDI can play in regional economies, and the steps taken by Invest NI to showcase all regions of NI to potential investors. Board indicated that they were content with the paper, which will be helpful in their conversations with regional stakeholders. Steve would discuss this in more detail with the Sub Regional Board working group.

2. ITEMS FOR DISCUSSION
2.1 CEO REPORT TO BOARD
The CEO began his report by providing a brief overview of the impact of Covid-19 and the subsequent response packages put in place by Government to support business. Kevin touched briefly on an emerging work stream within the Department of International Trade (DIT) to inform an FDI recovery plan, and how Invest NI will have a role to play in this.

Kevin noted how, in March, the organisation was very much focussed on closing out year-end and that, within the month, while dealing with the Covid-19 implications, we were able to
Kevin then provided overview on Invest NI Operational Performance, the preliminary 19/20 year-end Report, and the results in relation to the 4 quadrants of Customer; People and Culture; Processes; Performance.

Kevin concluded by requesting that, given current Covid-19 implications, the Board discussion to finalise 2020/21 objectives should be deferred to June Board. The Board were in agreement with this suggestion.

Chair thanked Kevin for his presentation and specifically highlighted the excellent results in regards to employee absenteeism.

2.2 FINANCE REPORT TO BOARD

Mel Chittock asked Board to note the Finance Report and stated that his presentation would focus on the 4 areas of Draft Financial Outturn 19/20; Major Projects & Outcomes; Programme Effectiveness (Overview); and Current resource allocation (Headcount).

Mel noted that the financial outturn for 19/20 is still a provisional outturn and, whilst we do not expect any further material adjustments, it is possible given current circumstance. Mel stated that Paragraph 3 of the Finance Report details what sits behind the programme underspend and shows that the largest element is the £1m overspend on Resource, which was matched by additional receipts in year.

Mel also provided an update on ERDF, Capital and Cash positions and confirmed that the Finance Team is now focussed on completing the draft accounts and submitting to the NIAO for audit by 15th May and, secondly, completing the June Monitoring in which we are being asked to surrender budgets or consider if any bids should be made.

On the topic of Major Projects, Mel noted that, over the last 3 years, Invest has supported over 4,000 projects, circa 1,400 per annum. Typically, this is approx. £100m per annum in offers, with the main programmes being SFA and R&D support.
The Overall the number of Projects has been consistent over last three years (+5% +1%) with the majority of Projects c. 85%, below £50k each year. Mel stated that care needs to be applied when looking at trends however, as large projects distort the value of assistance figures.

Mel provided an overview, and detailed the outcomes, of the projects approved at Board level over the last six years, highlighting that the two main areas are SFA and R&D projects and how, together, these account for 87% of all projects approved.

Mel went on to provide a brief summary on Programme Effectiveness and how a Programme review took place in 2015, with some 70 interventions assessed. Since this early work, a number of our programme solutions have developed and evolved. A number of changes have resulted in funding to some sector bodies ceasing, changes in the structure of support, rationalisation of overlapping activities and simplification on schemes and finally some interventions have been terminated. A new review is currently underway with 57 programmes in scope and early indications are that the economic rate of return ranges from less than 1:1 to as high as 9 to 1, however some programmes cannot yet be fully assessed as these types of interventions are designed to have a much longer-term impact.

Mel concluded by summarising the current headcount within the organisation and how it is split across Teams, both locally and overseas.

3. **STRATEGIC DISCUSSION**

3.1 **BUSINESS STRATEGY AND COVID-19 RECOVERY PLAN**

The CEO began this section of the agenda by explaining that the ensuing presentation and discussion would be framed to help inform the next steps for the organisation and encourage feedback from Board members to help shape direction in determining the appropriate interventions for each sector.

Donal Durkan provided an overview of the impact Covid-19 has had on business and focussed on the furloughs/redundancies across locally and externally owned companies as well as across sectors and NI regions. Donal also gave a synopsis of the April Invest NI Purchasing Managers Index.

Kevin Holland presented Board with an outline of the emergency support interventions that have been made available to business since the beginning of the pandemic. Kevin moved on to provide a synopsis of the proposed new DfE Hardship Fund, and shared specific details of
the request, from DfE, that Invest NI administer the fund, but underlined that our delivery role has still to be agreed with the Department.

Kevin referenced the previous meetings of the Invest NI Board, in March and April 2020. Kevin detailed how the Executive Team have been taking forward the out-workings of those discussions and the agreements reached; that we need to move from our emergency response to developing the most appropriate recovery interventions and how and where to target those interventions, in order to simulate recovery in the most effective way. Kevin concluded this section with providing a brief overview of the 2020/21 Budget position and the potential impact of any future Resource bids.

On the Customer evidence piece, Brian Dolaghan emphasised the importance of gathering the right information from companies and the role that that information can play in helping to shape the recovery pathway and influence key decisions within central Government in terms of developing targeted interventions & altering existing interventions. Brian presented data sourced from a large pool of Invest NI customers, where we requested information on the impact to the business, the thought process behind decision-making and what support packages have been utilised; and views on future pathways when lockdown eases. Results were shared with the group on a sectoral basis.

Steve Harper provided a run through of the current activity within International Business Team and how his four Heads of Territories were working to understand the varying global market impact and the work being carried out by economic development bodies. Steve’s analysis has determined that most bodies are offering similar packages to NI but that the majority are still relief focussed, and not yet looking towards stimulus and recovery. Few markets are opening up, although China is starting to slowly re-emerge.

Alan McKeown provided some detail on the Partnership discussions that have been taking place, at both the strategic and operational level. Engagement continues with Councils, Chambers of Commerce and representative bodies and has aided in gathering intelligence of industry and sector challenges and needs. Through working with Councils and Chambers on recovery plans we have received positive feedback on Invest NI actions and impact to date and there appears to be signs of a strong desire to get back to work.

Peter Harbinson concluded the Executive Team update by emphasising our focus on providing clear official information to our staff and to business and stakeholders to support their decision-
making, which plays a key role in influencing public mood. Peter advised how we are moving to extensive digital delivery, which will give us a much wider reach to all businesses, especially through NIBusinessinfo. Our future focus will be to digitally promote the extensive range of advice, guidance and financial assistance that we offer to businesses to include, for example, virtual FDI visits.

The Chair thanked the Executive Team for their presentation and asked the non-executive Board members for comments.

Judith Totten provided feedback on the challenges faced by her customers and her fears that some SMEs may be falling through the cracks within the Government interventions on offer and how it will be important to bear that in mind, when developing new products. Judith also noted that they may be forthcoming opportunities for Invest NI to work with Private Funders and would encourage the leadership to consider this step, which could help provide stimulus to the economy. Judith also noted concern within the insurance industry and the potential impact of underwriters reviewing positions.

Kevin Kingston noted movement, by business, to expand their suppliers and help mitigate the impact of supply chain issues and provide greater contingency options. Kevin also outlined details on the level of demand experienced, by Dankse Bank, in regards to uptake of the Government loan schemes and detailed the proposed Bounceback Scheme.

Michael McQuillan provided some detail on the level of engagement he has had with businesses through his work with Enterprise NI and gave an overview of the difficulties being experienced while attempting to meet the criteria for the £10k grant scheme. Michael committed to sharing the Enterprise NI 10 point recovery plan with Board post the meeting, and also stated that he sees Invest NI playing a key role in informing business of when their international markets will open up again. Steve Harper confirmed that his team were already engaged on activity in this area.

Marie-Therese McGivern focussed in on the potential to work in partnership with other organisations in order to maximise our offerings. Marie-Therese suggested exploring opportunities with councils to share resources and work collaboratively on aspects of the new Hardship Fund. Marie-Therese also queried the INI role with regard to City Deals and proposed that we align ourselves with the various propositions. Marie-Therese stated that she
believes Invest NI has the capability and is ideally placed to help shape and influence a new and improved Economic Strategy.

Brian Baird stated that he believes INI should focus on working with SMEs and locally owned business. By using the Hardship Fund to drive SME product, we can help businesses with international penetration & growth. Brian added that we also need to protect the core base of 1,500 companies that offer the greatest potential for growth, which directly influences our international competitiveness.

Mark Sweeney noted that, during last week's Covid Response Grant casework, there was an expressed desire from the feedback of a number of Board members to be more relevant to the wider business base but that Invest NI also has core responsibilities, and with limited funds, must not lose focus on those businesses best placed to help the economy grow.

Mark Nodder commented on how companies he is working with are now looking at how they can return to work and that INI need to be ready with a package of support, such as the Hardship Fund, for when that happens. Kieran Kennedy encouraged the team to promote messages to customers about exploring alternate supply chains and looking for the opportunities to diversify into new markets.

Deborah Lange provided an update in regards to the Covid-19 Risk Register. Deborah advised that the register has now been drafted and is close to finalisation but that it would need to be brought to full Board in order to secure agreement that all members are content with the identified Risk factors.

Chair closed this part of the discussion by thanking Board for their input, summarising the themes raised and confirming that Board are content with the direction of travel being proposed by the leadership team.

3.2 BUDGET IMPLICATIONS

Mel Chittock presented on the Budget implications of the Covid-19 Recovery Plan and began with an overview of uncertain Invest NI Budget Position in 2020/21. Baseline Budget Allocation is a flat cash position and pre Covid crisis we were forecasting a small pressure on budgets of c. £4m on Resource.
Mel stated that typically we would start the year at c. 70 to 75% of our budget for the year already committed but that this year the position was slightly higher. The challenge is estimating what the demand will be as the crisis develops in the coming weeks and months.

Mel highlighted the challenging issues that we need to consider in trying to determine what the likely demand is on our normal level of business, those issues include existing projects; furloughed employees; WIP Conversion; and FDI Activity. Mel relayed communication from DfE that there will continue to be central oversight and scrutiny of everything that is Covid-19. Mel concluded by providing current state of play in regard to our Work in Progress (WIP).

Chair thanked Mel for his update and both Chair and CEO encouraged Board members to provide feedback and input in the coming days as work progresses. Kevin also committed to engaging again with Board in the near term as recovery plans develop further.

4. MONTHLY REPORTING TO BOARD BY EXCEPTION

4.1 MARKETING AND COMMUNICATIONS REPORT
This report was noted by Board members.

4.2 CASEWORK REPORT TO THE BOARD
This report was noted by Board members and taken as read.

5. CHAIR’S BUSINESS
5.1 A.O.B.
Chair provided details of a Board ‘Buddy’ system and allocated a contact point, within existing Board members and ELT, for each of the new Board members as they adjust to their new role. Chair also provided a summary of the revised makeup of the Board sub committees and working groups.

Chair was able to confirm that, after consultation with all existing Board members, the unanimous choice to succeed Gerard O’Hare, as Deputy Chair, was Deborah Lange. Chair confirmed that necessary engagement with DfE would now take place to confirm Deborah in post.

Denise Black echoed the positive comments of the other Board members in relation to the insight and future focus thinking provided in the ELT presentations. She added that although
the focus had been explicitly on Business Recovery, the People recovery piece warranted equal attention. Denise commented that Invest NI are in a very positive current position of zero reported cases of Covid-19, largely due to the swift action of ELT/HR in getting everyone to work from home. However with a pending potential return to work we could have depleted numbers of staff and therefore should prioritise our focus through a “must do” lens and implement cross-skilling opportunities amongst teams. This People Contingency approach needs to align and reinforce our Business Recovery focus.

6. **DATE OF THE NEXT BOARD MEETING**
The next Board meeting will be Wednesday 27th May 2020 and will be held via Skype.

The Board Meeting ended at 5.10pm.

**Simon Marner**, April 2020

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Chair
Present:
Invest NI Board
Rose Mary Stalker (Chair)  Brian Baird
Deborah Lange  Judith Totten
Padraig Canavan  Kieran Kennedy
Kevin Kingston  Dr Mark Sweeney
Mark Nodder  Michael McQuillan
Colin Coffey  Marie-Therese McGivern

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

Presenters: Chris Conway and Graeme McCammon (NI-CO); Katrina O'Dowd, Colin Morelli

Minute Taker: Simon Marner

The meeting commenced at 1.00pm.

1 Declaration of Conflicts of Interest
Marie-Therese McGivern noted that she sits on the City Deals Executive Board. Deborah Lange referred to her role on the Belfast Harbour Commissioners Board. Colin Coffey highlighted his role as Chair of Flint Studios. Michael McQuillan noted his role with Enterprise NI and his Chair role with INI Client Company, Snuggle. Kevin Kingston restated that Invest NI is a customer of Danske Bank, that Invest NI and Danske Bank will have customers in common, and that Danske has previously received support from Invest NI.
No other Conflicts of Interest were declared.

1.1 MINUTES
The minutes of the April Board meeting were discussed. Mark Sweeney requested an amendment to the wording used to capture his comments at Section 3 of the meeting and
Board confirmed that, pending this change, the minutes could be agreed as a full and true record of the meeting. Mark Sweeney proposed and Mark Nodder seconded.

1.2 MATTERS ARISING

There were no formal Actions or updates required from April Board meeting. It was noted that the Board members had provided extensive feedback to the Executive Team to help inform Recovery Plan and Resource bids.

2. ITEMS FOR DISCUSSION
2.1 CEO REPORT TO BOARD

The CEO began this section by looking at the current economic context and the continual impact of Covid-19. Kevin noted the gradual easing of restrictions across many of the world’s major economies and how they are being replicated tentatively in NI. However, it is still too early to predict the knock on effect of the health crisis on businesses and consumers. Kevin referred to the Invest NI Purchasing Managers Index, for May 20, and the dramatic decline in March and April, in the areas of output; new business; employment and new export business.

Kevin continued by detailing the key current Invest NI priorities, and the work undertaken, since the Board last met in April. He highlighted the completion of the extensive Client evidence collection exercise, the successful launch of the NI Micro-Business Hardship Fund and the task of submitting the Invest NI proposed Covid-19 Response Interventions, currently being evaluated by DfE, with the response from this being key to finalise the 20/21 organisation objectives.

In April 2020, 114 projects offered £5.3m Total Assistance. Sector Initiatives and Business Development activities also continued and the Innovation Voucher programme has been extended for a further 5 years.

Kevin also discussed Brexit and the immediate challenges for NI Businesses; how the topic had fallen off the agenda somewhat, with the Covid-19 pandemic, but is rapidly returning to prominence with the fourth round of UK/EU discussion upcoming and the NI Protocol detailed workings still to be resolved. The potential for funding gaps and the impact Covid-19
Kevin provided an overview of the data compiled in regards to job losses and company closures across client customers group but also the positive indications that around 20% of furloughed workers have now returned to work, in some capacity.

Kevin noted that, on 4th May, the NI Executive announced match funding of £562m for City & Growth Deals and £55m for the Inclusive Future Fund. Discussions with DfE are ongoing to agree specifically what role Invest NI will play while it is clear we have an essential contribution to make as the Deals move forward.

Kevin concluded by advising that the Executive Team are reviewing the way forward under/post lockdown and consideration is being given to a return to limited office opening, safe travel to customers and long term home working.

The Chair thanked Kevin for his presentation and acknowledged the phenomenal effort made by Kevin, the Executive Team and the wider organisation over the last few months.

Kevin Kingston queried if INI has held any discussions in regards to Project Birch, a government plan to provide funding to strategically important companies. Following comment from the CEO, the Chair requested that the Executive Team should gather data from our client base on the potential impact from this type of intervention.

**Action: Brian Dolaghan to gather data**

Kevin Kingston also offered to engage with UK Finance, on Invest NI’s behalf, should it be required on any matters.

Michael McQuillan commented that going forward our interventions must support businesses as they deal with Covid-19 and plan for EU Exit but also we should seek targeted ways to grow a greener and more sustainable economy. Kevin Holland confirmed that the bids submitted to DfE covered both Covid/Brexit but that he would be keen to incorporate Green Sustainability as we move forward and this fits with the strategy discussions we have had. Donal Durkan commented that DfE are looking at our bids through the Covid/Brexit prism, but that the newly set up Digital Innovation Board Sub-Group may provide a vehicle to identify Green and Sustainable opportunities.
Colin Coffey queried whether any sector specific interventions had been proposed, as part of the Resource bid to DfE. Kevin responded by confirming that the team would need to work to get a better understanding of exactly what would be required and there will be an opportunity to place further bids at a later stage which could focus on detailed sectoral initiatives.

2.2 NI-CO YEAR-END RESULTS

Chris Conway, Chair and Graeme McCammon, Chief Executive joined the call. Chris began by providing an overview of who NI-CO are, the work that they do and their relationship with Invest NI. Graeme continued by providing details of 2019/20 year-end results and noting some highlights from the year. Graeme also commented on current state of play at Quarter 1 2020/21 and NI-CO plans/projections for the remainder of the year. Chris concluded the presentation by focussing in on the key challenges NI-CO will face as they look forward beyond UK EU Exit.

Kevin Holland commented on the talent pool within the organisation and how there may be opportunities for Invest NI to use NI-CO skills in the future, should appropriate projects be forthcoming.

2.3 FINANCE REPORT TO BOARD

Mel Chittock asked the Board to note the Finance Report

Mel provided an update on the 19/20 provisional outturn. Specific reference was made to Table 2 in the Report which detailed the variances against each of the main budget areas. Mel noted the under spend on ERDF expenditure which was fully matched by a corresponding under receipt of EU income. Overall the net provisional outturn shows an under spend of £0.43M against budget, which was equivalent to an outturn of 99.6%. The Resource budget was within the 1% under spend tolerance set by DfE with a 99.8% outturn. The Capital Budget was outside tolerance at 97.3%, which was largely a consequence of the very small amount of net capital budget.

Secondly Mel reported that the 20/21 budgets have now been confirmed by DfE. In summary on the Resource baseline budget a flat opening position was allocated as compared to last year. In relation to Capital the amount of the allocation has resulted in a small opening pressure of c.£2.3M.
At the same time, the June Monitoring was commissioned, with Invest NI surrendering £17m of Resource to reflect an anticipated reduction in drawdown this year and to support DfE’s priorities in response to Covid-19. In parallel Invest NI has submitted a number of Covid-19 Response bids to the Department totalling circa £125M and are awaiting approval to proceed for the selected bids.

Finally, Mel summarised progress on the Micro-Business Hardship Fund that opened on 20th May. This was the third of three DfE interventions undertaken by way of Ministerial Directions.

Brian Baird queried whether the team are in a position to track if applicants, to Hardship Fund, are Invest NI clients. Mel confirmed that he does not have that information to hand as yet, but that it was likely, given the qualifying criteria, that the majority of applicants would come from the wider business base. Alan McKeown confirmed that these checks would take place and there would be no double accounts.

Mel provided an overview of the MOUs in place to run the £10k, £25k and Hardship schemes and the Invest NI responsibilities detailed in each. In response to a query from Kevin Kingston, Mel and Alan both confirmed that a Decision Log and a Risk Register were established, for the development of the Hardship Fund.

2.4 ARC MAY MEETING UPDATE
Deborah Lange, ARC Chair, provided an overview of the discussions that took place at the May ARC meeting. Deborah confirmed that the organisation received a satisfactory opinion for 19/20 from Internal Audit Service with no Limited Opinions or Priority 1 Recommendations. Deborah also advised of discussions on the Hardship Fund MOU and the procurement for a new contract to review External Delivery Organisations. ARC reviewed the draft Invest NI Annual Report and Accounts and the Corporate Assurance Statement. The external audit was progressing in line with normal timeframes, although the availability of up to date valuations for Associate companies could result in late changes to the Accounts. ARC approved the Covid-19 Risk Register, which has seven Risks in the Very High category. ARC approved the Corporate Risk Register, and agreed that the four Risks, in the Very High category, could be notified to DfE. In addition, there were two risks moved from the Corporate Register back down to the Group Registers. The Invest NI Anti-Fraud Policy and the Fraud Response Plan were also reviewed. Deborah concluded by confirming that ARC and Board Secretariat are actively seeking options for additional training for ARC members.
2.5 EMERGING RISKS REGISTER

Deborah Lange reviewed the Emerging Risk and provided commentary on those Risks that had been removed, added, had proximity altered or have been escalated to Corporate/Group Registers.

The Risk titled *Dilution of Focus* was discussed, with Mark Sweeney stating that this Risk has increased with the current Covid-19 crisis and expanded role Invest NI is playing. Brian Baird agreed with Mark’s comments and stated that Invest NI’s goal is to increase global competitiveness and the more we dilute this Risk the greater the chance of our *raison d’etre* becoming blurred. The Chair commented that Invest NI’s objective is to grow the NI Economy for the benefit of all and that the NI Executive will ultimately dictate the role Invest NI will play in doing that. The Board agreed that ELT should consider changing the description of this risk to capture Invest NI's role going forward.

The risk titled *Higher and Further Education funding reductions* was discussed. Marie-Therese McGivern stated that this is now a real risk. With UCAS confirming that up to 100,000 students have deferred entry to university for September, incomes will be impacted and the ability to invest in other projects will be vastly reduced. Padraig Canavan and Michael McQuillan concurred with Marie-Therese on this point and Padraig noted the potential impact on Skills availability given the increase of online working and the ability to attract talent on a global level. Michael also suggested that the team keep a watching brief in regards to the impact of risks to Council funding, and give consideration to potentially adding as a separate risk.

**Action: ELT to review for inclusion in Corporate Risk Register**

On *Bank Funding and Liquidity* Kevin Kingston queried whether this risk, in the current economic environment, would be more appropriately defined as the appetite for credit risk as opposed to liquidity. Colin Morelli would consider rewording this risk.

Denise Black commented on the People Front from an emerging risk perspective. Denise stated that the Reskilling risk, captured under category 2, might be better described with a ‘People Agility’ heading - agility not just in capability but also in mind-set. Going forward staff will need to be both agile and flexible in both their attitude and in being able to move different projects/pieces of work. Denise said although there is a clear need to get clarity on our objectives, as in the ‘what’, we should also be mindful of the “how” in the way in which we will deliver them. She said she is currently working on a proposal paper and set of initial principles, positioning with a “carpe diem” wraparound, in that we have a unique opportunity to seize the
moment and look at a possible return to work in a fundamentally new way.

Mark Nodder queried why the *FDI Flight (Brexit)* risk had been removed, and it was confirmed that as the Risk is no longer ‘emerging’, it has been moved to the Brexit Risk Register. Steve reported that these is a Covid-19 risk to FDI on the International Group Risk Register.

Deborah thanked Board for their feedback and emphasised that the Register is a living document and any further comments could be fed through to herself or Colin Morelli, Risk Manager.

### 3. RECOVERY PLAN DISCUSSION

#### 3.1 CUSTOMER SURVEY RESULTS AND FORWARD LOOK

Brian Dolaghan presented data, gathered from 1650 structured customer interviews, which provided detailed analysis on the company scale of each respondent and the factors that impacted their business when lockdown commenced.

Brian also detailed the use of government schemes, broken down on a sectoral basis and specifically highlighted the uptake of the Job Retention Scheme, across the sectors and council areas. Factors likely to impact companies beyond lockdown was also analysed.

Brian continued his presentation by providing a significant level of qualitative evidence gathered through discussions with business across the sectors. This evidence summarises responses from business and captures views on changes to sector dynamics and, what types of interventions are required, to assist future growth.

Brian passed over to Kevin Holland, who concluded the presentation by detailing how the team have used the feedback received from business to inform the Invest NI Recovery bids, submitted to DfE. Kevin outlined that the Economy Minister is currently considering the bids documentation and that he will communicate Minister’s funding decision to the Board, once received. Further sector by sector recovery planning will still be needed.

Colin Coffey commented in regard to the Agri-Food sector. With the impact of Covid-19 and Brexit, Farmers and Processors are developing USPs (Unique Selling Propositions), in order to reposition themselves and compete globally. However, market closures will affect product distribution and the industry may require targeted interventions.
Judith Totten noted that she is detecting more positivity throughout business, that order books are beginning to fill up and people are keen to get back to work; however, there is still some uncertainty, created by the differing messages of the UK and NI Governments.

Kieran Kennedy remarked on the focus to support supply chains within the Recovery Plan but also highlighted the need for companies to diversify and develop USPs and seek alternative markets. Kieran commented on how his own business has sought contracts with the NHS and Kevin Holland and Donal Durkan confirmed that Invest NI are very active in connecting other NI companies into similar opportunities. Kieran also mentioned the potential possibilities in regards to the future supply of PPE in NI. Chair agreed with Kieran on this point and highlighted the benefits to both the Economy and the Health & Social Care Sector, should appropriate measures be put in place, to develop sustainable solutions.

Chair concluded this section by thanking the team for the effort required to gather such excellent data and emphasised how vital data, such as this, will be for forward planning and recovery.

3.2 HARDSHIP FUND UPDATE

Alan McKeown presented a summary on the newly launched NI Micro-Business Hardship Fund, which Invest NI administered according to DfE policy guidelines. Alan detailed the qualifying criteria, set by DfE, and how the fund is open to applicants from 20th May to 12th June. Alan applauded the efforts of the whole Invest NI Team who were able to develop, test and launch this national scheme in just over two weeks, a truly remarkable achievement.

Alan continued by providing an overview of the key delivery issues and the next steps within the process, which include finalising the MOU with the Department, assessing applications, HMRC data checking, validating bank & personal details and making payments. The process will be concluded by conducting an internal compliance audit and lessons learnt exercise.

Chair thanked Alan for this update and, on behalf of the Board, paid tribute to the achievement of the whole Invest NI Team.
4. MONTHLY REPORTING TO BOARD BY EXCEPTION

4.1 MARKETING AND COMMUNICATIONS REPORT

Peter Harbinson presented a Covid-19 Communications update. Peter advised how we have moved much of our communications activity to online delivery and introduced several new approaches, with one example being the first virtual ministerial investment announcement. We have been delivering the business element of The Executive Office campaign and focus has now moved to the NI Miro-Business Hardship Fund with two main aims of a) promote the fund & eligibility criteria and b) manage volumes of applications.

Peter advised that our future communications will be shaped by the organisational response to many factors, to include Covid-19, Brexit and a new Invest NI Business Strategy to name a few, and communications will be focussed on supporting businesses in line with the key themes of recovery to enable businesses and the economy to Return, Reset and Rebound. Supporting our economy to Return, Reset and Rebound will require real partnership, real collaboration and a collective focus. Peter stated that he is currently developing a briefing document on key headline points and he will share with Board & Executive Team as soon as possible.

Mark Nodder highlighted the use of Return, Reset and Rebound and encouraged Peter and his team to engage with business organisations, regarding collaboratively promoting this message. Board agreed that engagement with Business Organisations should commence as soon as possible in regards to consulting and agreeing common messaging on Return, Reset, Rebound.

Action: Peter Harbinson to take forward

4.2 CASEWORK REPORT TO THE BOARD

This report was noted by Board members and taken as read.

5. AOB

Mark Nodder noted that, with lockdown restrictions easing, it would be important, where safe, for Invest NI officials to visit customer’s premises. Kevin Holland commented that plans are being put in place to safely accommodate such visits and plan a way forward.
Chair noted that first meeting of NI Makers Productivity Panel is scheduled for Thursday 4th June and, secondly, thanked Chairs of Board Working Groups, who have held their first meetings.

6. DATE OF THE NEXT BOARD MEETING
The next Board meeting will be on Wednesday 24th June 2020.

The Board Meeting ended at 5:30pm

Simon Marner, May 2020

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Chair