

INVEST NORTHERN IRELAND BOARD MINUTES 2024

January 25, 2024

February 29, 2024

March 28, 2024

April 25, 2024

May 30, 2024

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

Present:

Invest NI Board

Colm McKenna (Interim Chair)

Ciaran Mulgrew

Colin Coffey

Dawn McLaughlin

Dominic Darby

Melanie Dawson

Marie-Therese McGivern

Scott Ritchie

Kieran Kennedy

Michael McQuillan

Board Secretary: Trevor Connolly

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

Minute Taker: Wendy Savage

The meeting commenced at 10:15.

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

BOARD STANDING ITEMS

APOLOGIES

INVEST NI BOARD MEETING MINUTES

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

(i) DECLARATION OF CONFLICTS OF INTEREST

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

(ii) RAISING CONCERNS

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

1. MINUTES

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

2. ACTIONS & UPDATES

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

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

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

Action 87 – Entrepreneurship - Paper included on January agenda.

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

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

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

3. CASEWORKS FOR APPROVAL

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

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

4. IMPLEMENTATION OF INDEPENDENT REVIEW ACTION PLAN

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

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

Mel also referenced some comments on the survey that was undertaken on the Task and Finish Group process. He advised that these results are being analysed to identify the lessons

learned. Some staff felt that it was not truly joint working, and we need to see how we can develop closer working relationships on the back of this.

The Chair stated that he had taken comfort from the 16th January meeting, which was well attended by Executive colleagues, that there would be no further slippage from the timelines in the published Action Plan. He stressed the importance of Invest NI being the engine room for the change set out in the Action Plan and the need for Executive colleagues to own that change. He reiterated the need for continued joint working and confirmed that he had invited Mary Gormley to join the February Board meeting to do a short system demo and provide the monthly progress update. The Chair advised that he was disappointed with some of the comments in the survey and also stated the need to develop partnership working.

5. COMMITTEE CHAIR REPORTING

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

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

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

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

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

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

OPERATIONAL ITEMS

6. CEO REPORT TO BOARD

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

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

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

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

7. FINANCE REPORT TO BOARD

Brian Dolaghan made a brief presentation to supplement the Finance Report to Board. Key headlines were: (i) Resource - spend is ahead of YTD budget profiling but expected to normalise by year end. (ii) Capital - spend broadly in line with expected timing at 9-month point. (iii) ERDF - remaining allocation has now been fully spent at 31 December 2023. In looking ahead, DfE has asked for submission of bids for resource and capital. There is an assumption that our 2023-24 closing position will be our opening position for 2024-25. Bids had been made for both resource and capital. There was a rising demand for capital funding over the next three years, on proposed interventions such as Productivity Support, Agri-Food, Energy Efficiency and Access to Finance. Brian confirmed that bids for the Shared Prosperity Fund were also back on the table for 2024-25. Board members responded by emphasising the need to redouble our efforts to have a pipeline of projects which could make use of all available funding. They also queried what would happen if the bids were unsuccessful and how staff were being allocated against key projects / programmes. The Chair asked that an exercise be completed setting out where we will end up as to the 2024-25 Budget position and what actions are to be undertaken if Invest NI's bids are unsuccessful.

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

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

8. ARAC UPDATE

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

- NIAO has provided final report.
- Internal Audit reports were reviewed.
- Governance Council provided an update.
- Mid-year review of Assurance Statement completed.
- Corporate Risk Register reviewed.
- ARAC ToR updated to reflect change of name and membership.

- Progress on completion of PPE's was discussed – for those <£1m, from April 2023 there had been a significant reduction in the number outstanding and this was to be reviewed again at the end of January 2024. For those PPEs >£1m, an external procurement exercise is ongoing with a timeframe for completion by March 2024.

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

SPECIFIC PAPERS

9. CORPORATE PLAN

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

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

Gerard left the meeting.

10. ENTREPRENEURSHIP PROPOSALS

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

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

suggested that DfE would now be best placed to chair oversight of the team, if approved, with Invest NI providing the operational delivery.

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

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

11. SPARE OFFICE CAPACITY – HQ

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

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

12. COMMUNICATIONS AND ENGAGEMENT STRATEGY – OVERVIEW PAPER

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

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

Board members thanked Peter and his team on the progress made and stated that this piece of work would be fundamental to how Invest NI works going forward. One Board member also questioned whether international business should be covered separately due to its own nuances. Steve Harper advised that there are Comms staff embedded throughout the international office network who are young, enthusiastic and bring a renewed vigour to communications. He also noted that they needed the right tools and equipment to enable them to do their jobs, especially in respect of mobile video recording and editing. Alan McKeown confirmed that he would investigate this issue further. The Chair noted that this would require a culture change, with the Comms team acting more as facilitators, rather than gatekeepers, and ELT taking more ownership. He also suggested the Comms team be open to procuring external PR support. Board members were content to approve the Paper.

PAPERS TO NOTE

13. MARKETING & COMMUNICATIONS REPORT

This paper was noted with no comments.

14. ANY OTHER BUSINESS

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

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

The Board meeting ended at 13:40.

15. DATE OF THE NEXT BOARD MEETING

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

Wendy Savage, February 2024

Chair

**TWO HUNDRED AND TWELFTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 29 FEBRUARY 2024
MEETING HELD AT INVEST NI HEADQUARTERS, BELFAST**

Present:

Invest NI Board

Colin Coffey (Chair for this meeting)	Ciaran Mulgrew
Michael McQuillan	Dawn McLaughlin
Dominic Darby	Melanie Dawson
Marie-Therese McGivern	Julie-Ann O'Hare
Kieran Kennedy	

Board Secretary: Trevor Connolly

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

Minute Taker: Wendy Savage

The meeting commenced at 10:15.

Colin Coffey, on behalf of the Board and ELT, passed on everyone's condolences to Colm McKenna, who was unable to chair his final Board meeting due to a family bereavement. Colin, in his role as Senior Independent Director (SID), chaired the meeting.

The SID welcomed Kieran Donoghue to his first Board meeting as CEO and four members of Invest NI staff, who joined the meeting in an observatory capacity.

BOARD STANDING ITEMS

APOLOGIES

Apologies received from Colm McKenna, Patrick O’Gorman and Scott Ritchie.

(i) DECLARATION OF CONFLICTS OF INTEREST

It was confirmed that there were no other conflicts with any items under discussion today.

(ii) RAISING CONCERNS

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

1. MINUTES

The minutes of the January 2024 Board meeting were agreed without amendment and will be published online. The SID noted that the next meeting is on Thursday 28 March 2024, which will be held in Invest NI HQ. This will be John Healy’s first meeting as the new Chair.

2. ACTIONS & UPDATES

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

Action 85 - Spare Capacity within INI HQ: paper included on February agenda.

Action 86 - NW Office location: paper included on February agenda.

Action 89 - Updated Risk Appetite: paper included on February agenda.

Action 99 - Digitisation Paper: paper to come to the March Board meeting.

Action 102 - Committee Chair Reporting: Colin Coffey, in his role as BFC Chair, is to provide the verbal update at today’s meeting.

Action 103 - Budget 2024/25: paper included on February agenda.

Action 104 - Invest NI Business Plan 2024/25: paper to come to the March Board meeting for approval.

3. CASEWORKS FOR APPROVAL

Colin Coffey, in his role as BFC Chair, advised there were no projects for approval by the Board at this meeting and referenced the Casework Approvals Report in the Board pack. Colin advised that an urgent, upcoming project would be dealt with via correspondence in order to facilitate the availability of the DfE casework panel. The CEO advised that, on initial inspection, he felt the casework process may be over engineered and has set up a small group, under the auspices of Mel Chittock, to look at the end-to-end process. Kieran advised that he would provide an update at the next Board meeting.

4. COMMITTEE CHAIR REPORTING

The SID referenced the written update from RPC within the Board pack. There were no questions from members. Colin Coffey, in his role as BFC Chair, then provided a brief verbal update from his Committee. He advised that the meetings to date had been principally focused on information gathering by the members and the last meeting had focussed on skills and competitiveness. In future, BFC's approach will be to look for interlinkages with our strategic outcomes and work closely with SRC on this.

One Board member advised that the challenge role of the Committees is critical, and asked that the SRC, BFC and RPC Executive Secretariat ensure that officials who attend are properly prepared for robust, but professional and constructive, scrutiny and challenge from the members and it is understood that this is a key role of the Board.

Another Board member asked if BFC feel Invest NI is getting value for money and economic benefits on the fees paid to Fund Managers. Colin confirmed that delivering value for money was critical, as was ensuring that our funded market interventions were delivering Invest NI's strategic outcomes.

In respect of Access to Finance, Colin noted that he was working with Brian Dolaghan on the arrangements to provide governance and oversight of the funds being delivered by fund managers on Invest NI's behalf, and that a paper would be shared with the CEO and then the Board, in due course. Colin also noted that the projects coming forward to Casework were still being written in isolation and were not always clear as to where they fitted in delivering Invest NI's strategic outcomes. He suggested he would discuss this further with the CEO, offline.

Marie-Therese McGivern, SRC Chair, provided a short verbal update to members stating that the team is working on the Invest NI Business Strategy to ensure alignment to the Minister's Economic Vision and that the digital team had provided an update on the excellent progress being made. She highlighted the ongoing engagement with Peter Harbinson and Paula Logue on their respective strategies. Marie-Therese also stated that the development of the performance dashboard is progressing and will be transformative for the Board and the organisation, when complete. The Committee will now start to focus its attention on the Finance strategy and reporting. As a first step, the four Committee Chairs will be meeting soon to discuss and agree the type and format of financial information that is to be provided to the Board.

OPERATIONAL ITEMS

5. CEO REPORT TO BOARD

The CEO provided an overview of his Paper. Kieran thanked colleagues for preparing his report and having taken the report as read, highlighted the following:

- EY Global Outlook has projected moderate GDP expansion in 2024. They attribute this to an increased likelihood of a soft landing following consecutive economic shocks. The Outlook reports that a more open path to a soft landing should help rebuild confidence.
- The restoration of power sharing and a Stormont Executive is an encouraging development for future investment.
- Encouraging to see a good flow of new business projects through January from both local companies and inward investment, across all of the NI regions.
- Invest NI hosted some 30 of our overseas staff in the Northwest and this was a great opportunity for them to learn what the region has to offer as well as being able to engage with local stakeholders including the Council, Chamber, business investors and colleges, with very positive feedback from stakeholders.
- The first of 6 Supporting Women Leadership Development workshops took place on 2 February. The CEO thanked Board members Kieran Kennedy and Dawn McLaughlin for welcoming the cohort and offering continued support and encouragement to the wider Invest NI team.
- Performance Reporting - Concerns around the year-end delivery of 3 Targets which are categorised as Amber. Two Targets were reported as Red, as they will not be achieved by year end.

- The increasing significance of the non-financial support that Invest NI is providing to companies and the importance of capturing this information going forward and reporting it externally as a key enabler of business growth.

A Board member asked ELT to comment on the number of new start employees and whether these posts were essential. The Board member also asked whether the hybrid working policy was being considered as more companies are asking staff to return to the office. Paula Logue, Executive Director, People and Culture advised that this issue had been discussed extensively at a recent ELT meeting. Research had been completed which indicated that there was no drop in staff productivity. Hence, the existing hybrid model - 40% office based for staff - would remain. The Board member stated that collaborative working also needs to be considered and Managers need to see their staff to understand their skill sets or learning requirements and that Invest NI should also balance their hybrid working policy with that of the private sector.

Paula Logue accepted these points but advised that the timing was not right currently to change the policy but that it would be kept under review. Another ELT member also advised that this had been debated amongst the team and that to promote collaborative working, anchor days had been introduced for teams with ELT members driving this.

The CEO advised that at the most recent staff briefing he had given an assurance to staff that the hybrid working policy would remain as is for now; but would be reviewed as plans progress around Invest NI's Corporate Plan and target operating model. Another ELT member also added that the hybrid working policy is an important competitive advantage when trying to recruit professional grade staff.

A Board member commented on how we are measuring staff productivity in the organisation and asked if the process is fully transparent. A Board member sought assurances that the budget applied to Skills would not be cut moving forward. An ELT member advised that this is a critical area and there would be no cut to the budget moving forward.

The SID mentioned that a person has been employed to look at the area of economic inactivity and mentioned that in conversation, representatives from EY had mentioned that they want to help / assist Invest NI in this area. Colin Coffey to pick this up direct with Steve Harper. One Board member cautioned that Invest NI needed to be aware of other organisations' roles, especially in the Third Sector. Steve Harper advised that Invest NI is currently working with the Department for Communities (DfC) on this, our role being to signpost individuals and companies to the dedicated DfC programmes, which are funded by the Shared Prosperity

Fund. It was confirmed that the person employed will also be looking at attracting in, and attracting back, talent.

An ELT member advised that his team had met with DfE policy leads to discuss the metrics needed to operationalise and measure performance in achieving the Minister's Economic Vision. It had been agreed that Invest NI would write to DfE with their proposals for the metrics.

Action: Paper on the metrics which have been developed internally for each of the Minister's four economic objectives, as set out in his Economic Vision, to be presented to the March 2024 Board meeting for approval.

A Board member asked if, given the tightness in the labour market, we should now be targeting specific companies / sectors. Another Board member also raised the definition of a "Good Job" and how this could mean different things to different people. The subsequent discussion identified the need for levels of progression, involving 'stairways' and there was not one single answer or definition that fitted all circumstances.

6. FINANCE REPORT TO BOARD

Brian Dolaghan made a brief presentation to supplement the Finance Report to Board. Key headlines were: (i) Resource - spend is ahead of YTD budget profiling but expected to normalise by year end; (ii) Capital - spend broadly in line with expected timing at 9-month point and (iii) ERDF – Invest NI were working closely with DfE to maximise drawdown. Brian confirmed that Invest NI had been asked to resubmit bids for the 2024-25 Shared Prosperity Fund.

SPECIFIC PAPERS

7. 2024-25 BUDGET PAPER

Brian Dolaghan advised this paper came about from an action from last month's meeting and explained that the Business Scorecard reflects the nature of our spend in respect of jobs creation and skills. Brian stated that 65%-70% of the budget is already committed based on contracts signed in previous years, with the uncommitted balance relating to current year programme activity. Brian went to explain that he had tried to show the nature and structure of the budget and its flexibilities in the paper to address the question of how we will manage if

we do not get our desired budget allocation. Brian advised that he had also tried to give a flavour of staff costs analysed against our key drivers.

The SID stated that from the papers it seems we will move into 2024-25 with a budget pressure of £6m and asked how do we achieve a balanced budget in 2024-25. He also asked about how the 2024-25 pay settlement was to be managed. Brian stated that Invest NI had always started each year off with an opening budget pressure, i.e. more demand than budget, because history had shown that things will change, previous agreements will not drawdown as expected and this was required to avoid making in-year easements. In respect of 2024-25 pay, Brian stated that how this was to be managed would be clarified when Invest NI received its final Budget allocation from DfE.

A Board member highlighted that, with the high level of ongoing commitment, the forthcoming Review into rationalising Invest NI's programmes and interventions was a key enabler to create headroom in the budget and ensure that all programmes were fully aligned to delivering the Minister's Economic Vision. A Board member thanked Brian for the analysis on the headcount mapped to the key drivers but noted that, from what was presented, it was difficult to determine whether sufficient staff were in the right places and asked how the data could be further interrogated.

The SID asked that Brian keep the Board fully informed, in a timely manner, on what is clearly a fast-moving and complex position, as it was likely that challenging budget decisions may well need to be urgently taken.

A Board member referenced the Taoiseach's recent speech where he committed funding of over €800m for Shared Island investment priorities and referenced developing pilot co-operation schemes by enterprise agencies (up to €30 million) and asked if anyone had reached out to find out how this money would be received. The CEO advised that he had already reached out to the Shared Island Unit in the Taoiseach's Office and would update the Board.

8. REGIONAL STRATEGY PAPER

Alan McKeown advised that there were a number of pieces of work ongoing to address the actions in the Action Plan; but that he was also aware that the CEO is looking at the target operating model for the organisation and any work on the Regional Strategy needed to be cognisant of this. Alan advised that work is ongoing with each of the Councils to identify their

Unique Selling Points (USP) and on the co-design of targets and deliverables which are aligned to the Minister's Economic Vision. He also highlighted that while his team was fully engaged with Council officials, it was the elected Council Members who were the final decision makers.

The SID commented that he did not accept that Invest NI is reaching out as much as possible, especially to other ALBs. Kieran Kennedy stated that the Regional teams are continuing to work with all of the Councils in looking at all of the commitments made in the Action Plan. Dawn McLaughlin stated that in the North West a value proposition is being pulled together by the Council and Invest NI were involved in that process. Alan advised that he would like Invest NI to help co-ordinate these value propositions across NI, then identify the unique value added for each Council.

The CEO confirmed that he was embarking on a series of visits to each of the Regional Offices. The SID asked for a Paper to be prepared which set out the current status of all of the Regional Offices, in respect of capacity, fit out, location etc.

Action: A Paper which sets out the status of each of the current Regional Offices in respect of (i) the appropriateness of their current location, (ii) their visibility, (iii) accessibility to external visitors, (iv) their physical capacity and (v) the quality of accommodation to come to the April 2024 Board meeting for discussion.

Julie-Ann O'Hare left the meeting.

9. IMPLEMENTATION OF INDEPENDENT REVIEW ACTION PLAN

Mary Gormley and James McEvoy joined the meeting for this item. Mel Chittock introduced this item; he was able to provide assurance to the Board that delivery of the Action Plan was a priority across Invest NI. He advised that significant progress had been made and the Project Management Office (PMO) had been extremely busy with more than 70 meetings taking place in February alone. The Project for the Web software has been developed and rolled out, along with the risk reporting and interdependencies reporting to all Strategic Owners and Implementation Leads. A monthly checkpoint template had been introduced; but this is adding an additional layer of bureaucracy and the team is currently looking at solutions to digitise this. Mary Gormley advised that the PMO are engaging with all of the lead action owners on a formal and informal basis and there is currently a focus on those actions with due dates up to June 2024. Mary provided a demonstration of the live Project for the Web software and explained that there is a large amount of data held below the headline pages, which can be

drilled down into by all of the lead action owners. Mary advised that an initial Risks dashboard had been developed and the team is actively working on integrating feedback from Dom Darby and Ciaran Mulgrew. Mary also advised that an Interdependencies dashboard was being developed which was, by its nature, very complex with 19 interdependencies having been identified to date.

Dom Darby commended the team on the amount of progress made and their digital first approach. He stated that the last Implementation Oversight Group (IOG) meeting had been challenging – DfE had expressed a lack of confidence on progress and queried the robustness of the internal challenge function - and asked how the team planned to address this. Ciaran Mulgrew stated that DfE has the same access to all of the information and have full visibility on progress.

Mel stated that despite all of the information being available he was concerned that the next IOG meeting would be a re-run of the last and had therefore set up a meeting with DfE in advance to discuss. Dom Darby stated that there are two distinct audiences within DfE, those looking after the governance, and those requiring an overview. We need to make that distinction depending on the nature of the meeting and how we present the information. He suggested using deep dives into specific actions as a means to illustrate to DfE how we are working.

Dom also referenced the new Purpose and Vision 2026 statement, which were developed as part of the published Action Plan. He asked what work was being done within Invest NI to ensure that the five ways of working in the Vision were embedded with all Invest NI staff. Paula Logue responded and acknowledged there is more work to do with staff on culture and values.

Mary and James left the meeting.

10. NW REGIONAL OFFICE

Mel Chittock introduced the Paper. He emphasised the need to deliver value for money, while recognising that both quantitative and qualitative factors had to be taken into account. There was discussion amongst Board members, with the consensus being that the two of the opportunities presented were more attractive options. The CEO advised that he had not yet seen any of the sites and would like to do so, before coming to any final decision.

Mel highlighted that progress would be shaped by a forthcoming decision by the Derry City and Strabane District Council and that further information was required to finalise the Business

case. In light of this, he suggested that he come back to the Board when this work has been completed, which may be March or April.

The SID highlighted that ELT should engage with Board members to utilise their skills, knowledge and experience when addressing specific subjects of interest.

A Board member stated their frustration at the amount of Board time devoted to this paper, with no decision yet made. Mel responded by advising that they were waiting on information from external organisations which had slowed the process down.

Action: The SID asked that an update be provided to either the March or April Board, as appropriate.

11. RISK APPETITE STATEMENT

This paper was presented by both Dawn McLaughlin as Chair of ARAC and Trevor Connolly, the Board Secretary.

Dawn McLaughlin provided background and context by advising that the paper is the culmination of the Board workshop held in September 2023 and benchmarking work subsequently undertaken. She noted that public sector organisations cannot be culturally risk averse and be successful and that it is the responsibility of the Board to determine, and continuously assess, the nature and extent of the principal risks that the organisation is exposed to and is willing to take to achieve its objectives. She highlighted that the role of Invest NI - intervening due to market failure, providing support to businesses to develop commercial opportunities which would otherwise not be backed by the private sector and implementing programmes to deliver our strategic objectives – means that, as an organisation, we will fundamentally take on more risks than other public bodies. As noted in the Board paper, this critical point has been formally recognised by the NI Audit Office. Taking the paper as read, Dawn asked members for any questions before proposing the Risk Appetite Statement for approval.

Board members praised the quality of the paper and were content that as an organisation we should be taking more risks. They questioned whether as an organisation, Invest NI is ready to embrace this change and advised that if approved the Risk Appetite Statement must be embedded in the culture of the organisation, with staff empowered to take more risks where

appropriate. Trevor confirmed that as a document, it will not do anything; it needs to be embedded across the organisation to help people do their jobs. Trevor stated that it also needs to be discussed with DfE.

The CEO complimented the paper and advised it made a great framework to move forward. Kieran asked how the document would be kept up to date in a changing economic environment. Dawn advised that the document will be reviewed annually by the Board. Board members questioned how this would be disseminated to staff and stated that staff needed to be properly trained on how to use the Risk Appetite Statements. Dawn advised that the information would be disseminated to staff through the Central Compliance Team and also reiterated that a discussion would be required with DfE to keep them informed.

The CEO advised that the organisation needs to embrace this and that we should also be careful not to punish risk takers and how it is embedded in the organisation would be critical. The Risk Appetite Statement was approved by the Board, without amendment.

PAPERS TO NOTE

12. MARKETING & COMMUNICATIONS REPORT

This paper was noted with no comments.

13. SPARE OFFICE CAPACITY – HQ

Mel Chittock introduced the Paper. The SID noted that a variety of external organisations were keen to meet and discuss the options.

14. ANY OTHER BUSINESS

The CEO gave a brief update on his two recent and very constructive meetings with the Minister and advised that the Minister had sought, listened to and reflected Invest NI's views in his published Economic Vision statement.

The SID brought forward a paper, on behalf of the interim Chair, to constitute an Executive Performance Assessment Committee (EPAC). The Board approved the paper, on the proviso that the format of the ToR be updated to follow that of the other Board Committees.

The Board meeting ended at 12:40.

15. DATE OF THE NEXT BOARD MEETING

The next Board meeting will commence at 10:15 on Thursday 28 March 2024 and will be held in Invest NI Headquarters, Belfast.

Wendy Savage, March 2024

Chair

**TWO HUNDRED AND THIRTEENTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 28 MARCH 2024
MEETING HELD AT INVEST NI HEADQUARTERS, BELFAST**

Present:

Invest NI Board

John Healy (Chair)	Patrick O’Gorman
Colin Coffey	Ciaran Mulgrew
Michael McQuillan	Dawn McLaughlin
Dominic Darby	Melanie Dawson
Marie-Therese McGivern	Julie-Ann O’Hare
Kieran Kennedy	Scott Ritchie (Teams)

Board Secretary: Trevor Connolly

In Attendance: Kieran Donoghue, Alan McKeown, Brian Dolaghan, Dónal Durkan, Jeremy Fitch, Mel Chittock, Peter Harbinson, Steve Harper.

Minute Taker: Wendy Savage

The meeting commenced at 10:15.

BOARD STANDING ITEMS

APOLOGIES

Apology received from Paula Logue.

(i) DECLARATION OF CONFLICTS OF INTEREST

It was confirmed that there were no other conflicts with any items under discussion today.

(ii) RAISING CONCERNS

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

1. MINUTES

The minutes of the February 2024 Board meeting were agreed, with one small typo to be amended and will be published online.

Patrick O’Gorman reminded executive colleagues that Board members have a wealth of knowledge and experience which can be called upon whenever required. This proposal was endorsed by the Chair.

2. ACTIONS & UPDATES

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

Action 86 – NW Office location: update to come to April Board meeting, as appropriate.

Action 99 – Digitalisation Paper: included on March agenda.

Action 104 – Invest NI Business Plan 2024/25: it was noted that the Chair had agreed with the CEO that, rather than approving the 2024-25 Business Plan, an update would be provided on the longer term draft Business Strategy. Paper included on March agenda.

Action 105 – Metrics Paper – Economic Priorities: included on March agenda

Action 106 – Regional Offices: paper to be brought to Board along with the update on the Regional Strategy, when appropriate.

3. CASEWORKS FOR APPROVAL

Colin Coffey, BFC Chair, recommended approval of one project to the Board. Having declared a conflict with the project under discussion, both Julie-Ann O’Hare and Ciaran Mulgrew left the meeting at 10:24, before the project was discussed. After a brief discussion, the project was approved by the remaining Board members. Julie-Ann and Ciaran re-joined the meeting at 10:29.

4. IMPLEMENTATION OF INDEPENDENT REVIEW ACTION PLAN

The Chair opened this agenda item by stating that he and the CEO had now met with the Minister several times. During those meetings it was quickly apparent that delivery of the Action Plan was a major focus for the Minister, who had also made it very clear that he was holding the Chair and CEO personally accountable for its delivery. The Chair noted that, in his view, it was not just he and the CEO who were accountable - every ELT member who was an Action Owner also needed to recognise the critical importance of delivering a fit for purpose Action Plan.

Mel provided a brief update, stating that good progress was being made, with 5 actions completed and a further 6 due to complete by the end of June. Mel confirmed that there is a clear focus on delivery and outcomes from the Minister, which has now led to a different approach from DfE. A decision has been taken to pause the Implementation Oversight Group (IOG) to allow time for a series of 'deep dives' into particularly complex issues, with the meetings being jointly chaired by DfE / Invest NI. Their aim is to provide DfE with first-hand assurance as to the work being undertaken and progress being made to deliver each of the strategic actions. This process is due to be completed by the end of April / early May.

The Chair stated that the Action Owners need to up the pace on delivery and asked Mel, as SRO, on how the Board should best be kept updated and what level of reporting is required to provide assurance to the Board.

Dominic Darby (as a Board member of IOG) stated that IOG had been suspended as DfE were not happy with the level of assurance being provided by Invest NI. He commented that Invest NI should use the deep dives as an opportunity to highlight key issues and seek the appropriate help and support from the Department.

A Board member stated that the update paper provided to the Board did not provide the level of assurance required and requested further information by way of a detailed Gantt chart, issues log and risk register. The Chair agreed with that assessment and added that the Board needed to be content with the information presented and the level of assurance it provides.

Ciaran Mulgrew (a Board member of IOG) stated that it felt like the relationship between DfE and Invest NI was regressing to one of a parent / child and potentially this was the beginning

of a fragmentation of trust. He noted that a lot of work had gone into the partnership working to date, and that this should not be lost.

A Board member stated their concerns as to the potential loss of transparency, for a period of time, as the 'deep dive' process worked its way through and the need to continue developing the good working relationship between Invest NI and DfE.

The CEO stated that the deep dives were conceived as a forum to unpick 'thorny' issues offline and when clarity and consensus was achieved, that IOG meetings would resume.

A Board member voiced their concern that actions were being signed off, simply to tick a box; but were not actually complete until appropriate resources had been allocated to take the action forward.

The CEO stated that progress had slowed, partly due to him wanting to understand the complexity of the Action Plan and the related specific actions, and the work he had commissioned in order to refine the Business Strategy. The CEO stated that, in his view, this was essential as the operating model, resourcing plan etc. would all flow from the overall Business Strategy and not the other way around. The Chair stated that he was fully supportive of this approach.

The Chair re-iterated that a clear focus on delivery is required to achieve profound change and that Invest NI needed to move beyond the Lyons Review and not be defined by it. The Chair advised that, in his short time in post, he had met several Invest NI teams and had been very impressed by the people and their knowledge and enthusiasm to get things done. However, he also recognised the need to move internal resources from less priority work and for the organisation to be appropriately structured and resourced to deliver the Minister's economic outcomes.

Mel Chittock gave his assurance that the team was being highly proactive in challenging the Action Owners, the process is not about completing a tick box exercise and everyone was committed to delivering outcomes. Mel accepted the comments in respect of reporting to the Board in order to give more assurance on activity and progress.

Action: The SRO to consider how he enhances the level of reporting to the Board so that he can provide the required assurance to the Board e.g., an Issues log, Risk Register and Gantt Chart covering all the Strategic Actions.

OPERATIONAL ITEMS

5. CEO REPORT TO BOARD

The Chair noted his appreciation of the CEO's expert knowledge and experience of economic development and reiterated his belief that Kieran Donoghue was an excellent addition to the organisation.

The CEO thanked the Chair and, having taken the report as read, highlighted the following:

- February was a busy month with 87 projects approved, from a mix of companies across all of the NI regions, the bulk being indigenous.
- The recent UK Budget had introduced the concept of Investment Zones, with associated funding, and discussions were ongoing with DfE as to Invest NI's role.
- The International Investment Team participated in 2 workshops as part of the Derry & Letterkenny Chamber of Commerce proposition project.
- Invest NI has secured c£11m of Shared Prosperity Funding.
- The opportunity for NI companies to work with / supply to Ireland's renewable energy industry.
- City & Growth Deals – Invest NI was exploring ways to speed up the process.
- An internal group has been established to assess the internal casework process for issues and propose solutions to improve timescales and reduce bureaucracy whilst retaining proportionate oversight and governance, which would come back to the Board, in due course.
- All Island Funding – Kieran hopes to be in a position to provide an update at the April / May Board meeting.
- Performance Reporting - Two targets were reported as Red, as they will not be achieved by year end. All other targets achieved or on course for achievement by year end.

The Chair thanked Kieran for his report to Board and asked if the CEO wished to give a brief update on what has been widely reported as a very successful trip for the Minister as he visited New York and Washington leading up to St. Patrick's Day. The CEO advised that a short paper would be prepared summarising the key points from the USA visit, during which he supported the FM, dFM and Economy Minister.

Action: CEO to provide a short paper summarising the key points from his trip to the USA with the FM, dFM and Economy Minister. This is to be circulated to the Board via correspondence before the April Board meeting.

Steve Harper also gave a brief update and stated that Dual Market Access had been actively promoted at every opportunity during the trip. One Board member asked what impact the promotion of Dual Market Access is having on our programmes and support to customers.

Action: A Paper to be prepared which summarises what Invest NI is doing to externally promote Dual Market Access and what impact this is having on our programmes and support services to business.

The same Board member asked the CEO to consider the impact on the NI economy of the impending change in the UK's National Minimum Wage, especially on those sectors with low margins e.g. agri-food and hospitality and what Invest NI's response should be, if any.

The Chair asked about progress on the review of the casework process. The CEO advised he should be in a position to update the Board at the April Board meeting. The Chair advised that he wanted Colin Coffey, as Chair of BFC to be fully sighted and content as to the assurance being provided following any proposed changes to the casework process.

Action: CEO to provide a verbal update to the April Board on the progress of the Working Group which is considering how to enhance the internal Casework process.

6. FINANCE REPORT TO BOARD

The Chair opened this agenda item by thanking Brian Dolaghan and his team for the time spent with him to bring him up to speed on public sector finance.

Brian Dolaghan made a brief presentation to supplement the Finance Report to Board. Key headlines were: (i) ERDF - Invest NI were working closely with DfE to maximise drawdown; and (ii) Year End – Invest NI is on track to meet year end target spend.

Brian advised that the bid for Shared Prosperity Funding (SPF) had been successful with £11.2m awarded. Brian thanked Lisa Braniff for the quantity and quality of work she had completed, in a very short time, to ensure the bid was successful. Brian advised that the allocation of 2024/25 budgets was unlikely to happen until May. Brian noted that the baseline impact of securing the SPF needed to be recognised and discussed with DfE. For example, a

potential risk was that having secured external funding (e.g. SPF), there would be a corresponding reduction in Invest NI's baseline allocation from DfE, and hence Invest NI would not be better off.

The Chair asked that Brian and the team provide him with lines to take for any future conversations with DfE on budget allocations.

A Board member asked how pay increases in 20245-25 were to be funded and what discussions there had been on this issue with DfE. The Board member felt that salaries were treated as being sacrosanct, with any impending cuts in funding falling only on programme spend. He highlighted that, in a period of challenging budgets, the scenario planning must also include potential headcount reductions, rather than only considering a reduction in the number of programmes to balance the budget.

Another Board member reminded the meeting that any SPF funding allocation must be spent in-year.

The Chair also raised the issue of Industrial Land and Property Strategy, highlighting the Minister's specific interest in this area and the need to bring this to a future Board meeting. A Board member stated that the new Land and Property Strategy could potentially provide solutions on budget issues.

Action: Brian Dolaghan to provide an update on the work to develop a new Invest NI Industrial Land and Buildings Strategy.

SPECIFIC PAPERS

7. DIGITALISATION STRATEGY

Tanya Otterson (Business Improvement Manager) and Rachel McGrath (Customer Portal Project Lead) joined the meeting at 11:45 for this item.

Dónal Durkan joined the meeting at 11:47.

Alan McKeown introduced this item and thanked SRC for their direction and support to date on the strategy. Tanya presented a brief background and the linkage to the Action Plan. Rachel provided a brief update on the Customer Portal.

Marie-Therese McGivern updated the meeting on SRC's position. While content with the progress since October, SRC had advised the project team that their paper was more towards a Business As Usual approach, rather than being truly transformational. SRC felt that adhering to timelines was causing the team to work with haste, rather than taking the time to consider what is actually required. SRC also acknowledged the interdependence of the Digitalisation Strategy with the overall Business Strategy. operating model etc. SRC also considered that the role of digital lead was currently falling between stools and needed to be addressed as part of the new leadership structure.

A Board member asked what plans were in place to look at how we better use the huge amount of data we currently collect from customers.

Another Board member stated that in reading the paper they felt that a sense of restraint and limitation had been placed on the team. The member felt that the Board needed to support the team to maximise the opportunity for radical transformation, remove any perceived restrictions to ambition and ensure the process focused on the customer first. The Chair asked the Board member to provide their detailed feedback on the paper to the Chair of SRC for consideration.

Another Board member queried (i) whether the paper was ambitious enough; (ii) the validity of proposing implementation dates 18 months out, with the risk that the proposed technical solution could be redundant by that time; and (iii) is the team adequately considering AI /machine learning as part of the solution.

Tanya and Rachel left the meeting at 12:13.

8. DRAFT BUSINESS STRATEGY UPDATE

Gerard McNally joined the meeting at 12:15. He provided an update on progress to date since the January 2024 Board workshop and advised that the CEO would be attending an upcoming Ministerial workshop on the Minister's Economic Vision, which should further shape and refine the Business Strategy. The Chair asked for a timeline for completion on the Business Strategy. Gerard advised that this would come back to the Board for approval at the April Board meeting.

Board members provided the following feedback:

- Are we considering - when do we deliver and when do we partner?
- Need for effective partnerships with external stakeholders.
- Need to co-design this, in partnership with DfE.
- Solid groundwork; but now needs to be brought together in the final product.

The CEO added his compliments to the team on the work done to date and highlighted that it was important that the Strategy is both policy led and investor / customer focused, with the challenge being striking the right balance.

Scott Ritchie left the meeting at 12:35.

Action: CEO to provide a verbal update to the April Board in respect of the Minister's Economic Vision Workshop and its impact on Invest NI.

Action: Draft Business Strategy to come to the April Board for approval.

Gerard left the meeting at 12:40.

9. DRAFT METRICS FOR MINISTER'S FOUR ECONOMIC OBJECTIVES

Clare Mullan joined the meeting at 12:42. Dónal Durkan advised that the draft metrics had been discussed in detail with SRC and co-designed in partnership with DfE. The Chair noted the benefit of benchmarking this internationally and identifying the best in class.

10. RATIONALISATION OF INVEST NI PROGRAMMES AND INTERVENTIONS UPDATE

Clare Mullan provided an update on the detailed process that had been undertaken to develop a robust process to score and rank programmes. Board members complimented the team on their work.

Following a query from the Chair, Dónal Durkan advised that, following the rationalisation process, there would be less than 30 Invest NI programmes being delivered. The Chair asked that Donal Durkan and Peter Harbinson consider how the outworkings of this work is to be communicated to external stakeholders.

A Board member stated that the rationalisation process should ensure that the Invest NI 'offer' to customers is much clearer, which would also require internal behaviour to change. The member also queried whether the process could be used to inform conditionality. Another Board member queried whether the process could be applied to benchmark all expenditure within Invest NI. Board members agreed that being able to apply a consistent scoring approach when assessing projects for casework would be very helpful. Clare left the meeting at 12:55.

11. ANY OTHER BUSINESS

A Board member asked if any consideration was being given to a brand or logo refresh. Peter Harbinson advised that this is currently being looked at as a refresh of the branding. Another Board member noted the need to live the values set out in the Vision 26 statement and that there was an important cultural aspect to this work also.

The Board meeting ended at 13:03.

12. DATE OF THE NEXT BOARD MEETING

The next Board meeting will commence at 10:15 on Thursday 25 April 2024 and will be held at Belfast Met, Springvale Campus (E3), Springfield Road, Belfast.

Wendy Savage, April 2024

Chair

**TWO HUNDRED AND FOURTEENTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 25 APRIL 2024
MEETING HELD AT BELFAST MET, SPRINGVALE CAMPUS (e3), BELFAST**

Present:

Invest NI Board

John Healy (Chair)

Patrick O’Gorman

Colin Coffey

Scott Ritchie

Michael McQuillan

Dawn McLaughlin

Dominic Darby

Melanie Dawson

Marie-Therese McGivern

Julie-Ann O’Hare

Kieran Kennedy

Board Secretary: Trevor Connolly

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

Minute Taker: Wendy Savage

ECONOMY MINISTER

The Economy Minister, Conor Murphy MLA, met with the Board and the Chief Executive from 09.00 to 09.45. During this meeting, Minister Murphy discussed his Economic Vision, the key role that Invest NI has in delivering that and his gratitude to the Invest Board for their public service.

The Board meeting commenced at 10:30.

BOARD STANDING ITEMS

APOLOGIES

Apology received from Ciaran Mulgrew.

(i) DECLARATION OF CONFLICTS OF INTEREST

It was confirmed that there were no other conflicts with any items under discussion today.

(ii) RAISING CONCERNS

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

1. MINUTES

The minutes of the March 2024 Board meeting were agreed and will be published online.

2. ACTIONS & UPDATES

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

Action 86 – NW Office location: paper to be brought to Board along with the update on the Regional Strategy, when appropriate.

Action 106 – Regional Offices: paper to be brought to Board along with the update on the Regional Strategy, when appropriate.

Action 107 – IR Action Plan Reporting: included on April agenda.

Action 108 – Dual Market Access: included on April agenda.

Action 109 – Update on Minister's Workshop: verbal update to be provided at today's meeting.

Action 110 – Review of Casework Process: verbal update to be provided at today's meeting.

Action 111 – US Trip: Paper circulated to Board members on 24th April.

Action 112 – Land and Buildings Strategy: CEO has confirmed this is to be brought to the May Board meeting. Post meeting, this was subsequently moved to the June meeting.

Action 113 – Draft Business Strategy (2024-27): included on April agenda.

3. CASEWORKS FOR APPROVAL

There were no projects for approval at the meeting.

4. IMPLEMENTATION OF INDEPENDENT REVIEW ACTION PLAN

Mary Gormley joined the meeting at 10:35. The Chair opened this agenda item by reiterating last month's comments in that the Action Plan was a major focus for the Minister, who has made it very clear that he was holding the Chair and CEO personally accountable for its delivery. The Chair noted that, in his view, it was not just he and the CEO who were accountable - every ELT member who was an Action Owner also needed to recognise the critical importance of delivering a fit for purpose Action Plan.

Mel Chittock introduced this item and Mary then provided a brief update, referencing the Board pack, and giving the Board detail on actions completed and those with RAG measurements of amber and red. Mary advised that the review of programmes paper had been seen by ELT and would be presented to the Board imminently.

A Board member asked what was being done to address the amber actions owned by DfE. Mel advised that these are actively challenged with the DfE Review Implementation team.

Mary continued by advising that the Project Management Office (PMO) hold regular monthly meetings with Action Owners to discuss progress and any interlinkages between actions. Mary updated the meeting on the progress of the "deep dives" requested by DfE and advised there was some concern on the timeline for the deep dive on policy, which is owned by DfE.

Mel reiterated these concerns, noting that Invest NI's draft Business Strategy, once finalised, may help to push this action along. Mel provided an update on those actions which would come back to Board when appropriate and highlighted that a paper would be going to ELT on the Operational Delivery model; but would require further debate before coming to the Board.

Mel noted that good progress had been made across some incredibly complex and challenging interdependent areas and that the deep dive sessions had been very beneficial for colleagues in DfE. He concluded by making members aware that Staff briefings are being planned to update colleagues on progress and that the CEO would be going back to the Economy Committee in early July to provide an update on progress on the Action Plan.

A Board member asked why there has been no update on Action 32. Mary advised that the DfE implementation lead is off sick and the PMO had ongoing engagement with DfE counterparts on progress.

A Board member highlighted the profound change that would be required from the work being undertaken on the Operational Delivery action; and queried whether the proposed model was too similar to the model already in place? They asked what has been done to challenge the thinking, and if this action needed to come back to the Board for further discussion and scrutiny. Mel advised that the natural escalation would be for this action to come back to Board, but that further debate was needed at ELT first. The Board member felt that there was a risk of “if it’s not broke, don’t fix it ” view from the team and recalled how Board members had to intervene previously, during the initial stages of the Task and Finish work to help focus the group. Mel stated that he was hopeful that finalising the Business Strategy would help the team refine the Operational Delivery model.

Action: Paper on Segmentation Model to come to the May Board for discussion.

Another Board member asked about Resources and how many internal people were applying for positions in comparison to external candidates. An ELT member advised that this is determined by the post to be advertised.

Another Board member asked about the progress on the alternative funding action and given the clear direction from the Minister on his priorities, what the delay was on the DfE policy action. The Board member also asked if members could be given access to the reporting system for the actions.

Mary advised that they were unclear on the delay on the timing of the deep dive on policy. An ELT member also advised that DfE has been made aware that Invest NI will be issuing interim policy guidance to staff in lieu of definitive policy from DfE. Mary also confirmed that licences for Microsoft Project could be issued to Board members.

Action: PMO to provide licences for Board members for Microsoft Project.

Another Board member asked whether there is a formal process for escalation of concerns. Mary confirmed that there are formal processes for escalation in place.

Board members then raised queries on the action on rationalisation of programmes, specifically on the numbers being reduced, and the knock-on effect on freeing-up / reallocating resources.

Action: Final outcomes on Review of Programmes / Interventions to come to May Board for discussion.

Another Board member asked how the PMO was tracking and measuring impacts on completion of actions across the entire change programme. Mel advised that at present, there was not enough data to be able to track in any meaningful way. The Board member stated that without measuring, Action Owners could not be held to account.

Action: The SRO to consider how the profound change / impact of each of the Strategic Actions is to be measured, going forward.

The CEO stated that DfE is currently trying to operationalise the Minister's Economic Vision and potentially some changes may need primary or secondary legislation, which all takes time; but that this should not prevent Invest NI from assisting DfE to help them enact any new policies.

The Chair re-iterated that a clear focus on delivery is required to achieve profound change and that following March's Board meeting, a high level of dissatisfaction remained amongst the Board on pace of change. The Chair noted that the Board was assured on the process of challenge and reporting going on in the PMO.

The Chair stated that the Board did not feel that they had a clear view or assurance on whether progress to date was bringing the level of profound change required. The Chair advised that a half-day Board Workshop is to take place on 14th May with all of the Action Owners and Implementation Leads, so that Board members can gain a level of understanding on progress to date and the level of profound change proposed. The Chair recognised that this may be challenging for diaries but asked Board members and ELT to prioritise attendance and stated he was looking forward to an open and transparent conversation on how the actions are developing and progressing.

The Chair also advised that the time allocated to the monthly standing agenda item on the implementation of the Action Plan would be increased to ensure a sustained level of focus.

Mary left the meeting at 11:34.

SPECIFIC PAPERS

5. DRAFT BUSINESS STRATEGY UPDATE

Gerard McNally joined the meeting at 11:35. He asked for Board members' feedback on the latest version of the draft Strategy provided in the Board pack. He reminded members that the Business Strategy will belong to everyone in the organisation and asked for buy-in in the run up to its publication.

The Chair of SRC stated that they would be having a workshop on the Strategy on 20th May and paid tribute to Gerard and his team for their contribution to date. They stated that its publication this would be a milestone for the Board in helping show strategic direction for the organisation.

Board members provided the following feedback:

- Do we need to consider different versions for engaging with internal and external stakeholders?
- We need to consider procuring a copy writer / creative editor to bring the document to life.
- We should look at measuring the Strategy's impact one year after publication.
- Need to understand and assess the impact of UKG's changes to the Real Living Wage and the potential impact on some of the sectors we work with?

A Board member asked the CEO if he was confident that he would be able to sell the Business Strategy. The CEO advised that he had had a lot of interactions with the team, and he is content the Strategy is going in the right direction. He agreed that perhaps there would be different versions of the published document for different audiences but reiterated that the Strategy is both policy led and investor / customer focused, with the challenge being striking the right balance and at present it is still perhaps too policy focussed.

Gerard asked that if members had any further feedback that they provide this through the Board Secretariat.

Action: Latest version of the draft Business Strategy to come to the May Board for approval.

Gerard left the meeting at 11:53.

6. UPDATE ON REGIONAL STRATEGY

Alan McKeown provided a verbal update on progress on the Regional Strategy. He advised that the draft must be (i) adaptable to local circumstances; (ii) have clear threads to the

Minster's Economic Vision; (iii) include a suite of national and regional targets; and (iv) develop a baseline / definition for these targets. The draft Regional Strategy will be directly aligned to the Invest NI Strategy. A new approach is currently being reviewed and will come back to Board for approval when ready. Alan noted that, once approved he would then consider the impact on staff numbers and agreed that this was the correct order, noting that earlier drafts had got the choreography wrong in that respect. The draft Strategy will include regional targets for the whole organisation, rather than just the Regional team.

The draft Strategy will look at seven broad business missions, all of which will require a partnership approach both internally and across our network of external stakeholders: (i) Entrepreneurship & New-Starts; (ii) New to Invest NI businesses; (iii) Growing the indigenous base; (iv) Regional FDI visits; (v) Developing partners and the ecosystem; (vi) City & Growth Deals and (vii) Land and Buildings Strategy.

The RPC Chair advised that the team is making good progress and whilst there have been delays, they believed they now had the right people looking at this and a clear vision on the way to achieving regional balance and in particular welcomed the corporate approach to targets and joined up delivery.

Board members noted the need for a coordinated and carefully curated approach to FDI and trade initiatives to maximise the potential to sell Northern Ireland as a destination and harness all resulting opportunities. Board members asked for a more detailed report to be presented to the Board at the earliest opportunity. The CEO advised that this workstream had adjusted its pace of delivery to ensure coherence and alignment to the draft Business Strategy. The CEO confirmed that the Business Strategy would be published first and thereafter the operationalisation of the Regional Strategy would follow in a joined-up manner. He agreed that a revised Paper could come to the May Board.

Action: Draft Regional Strategy paper to come to May Board for discussion.

7. GREEN ECONOMY UPDATE

Jeremy Fitch provided a brief introduction and advised the work in this area is two-fold – (i) how to empower NI businesses to optimise green economy opportunities; (ii) how to help support all businesses in NI towards net zero. There are two strategic actions linked to the work – Action 29 - establishing a sufficiently resourced Green Economy Division; Action 30 – delivering industry leading expertise and targeted investment to generate green jobs and

engaging with external partners and supporting our businesses to improve resilience in responding to Climate Change through the transition to Net Zero.

The Chair advised that it was unfortunate that Rachel Sankannawar was not available to join today's meeting and extended an invitation for Rachel to join a future meeting. The Chair also stated that feedback from the recent deep dive on Green Economy was positive.

Jeremy advised there is further information available to Board members on recent training completed and this could be circulated if the Chair thought they would be of benefit.

Action: Jeremy Fitch to share staff training package with Board Secretariat for onward distribution to Board members.

A Board member asked if the Green related regional targets referenced by Alan McKeown earlier would be achievable. Jeremy advised that he was unable to answer this until a baseline for the targets had been established. An ELT member advised that this information could be sourced from the Corporate Information Team.

Another Board member advised they were supportive of the direction of travel but questioned whether we should be supporting all businesses towards net zero. The Board member felt this could be very labour intensive. Jeremy advised that some of those decisions are governed by DfE policy, with Invest NI delivering on their behalf. Another Board member suggested there may be other ways to measure this, for example, using the Innovate NI type of framework, where companies have to show how they are innovative to gain accreditation.

Another Board member asked if someone is looking at Invest NI's internal sustainability processes, before going out to the marketplace to give support to others.

8. UPDATE ON MINISTER'S ECONOMIC VISION WORKSHOP

The CEO provided an update on his attendance at the Minister's workshop with DfE and Critical Friends on 9th April. Kieran advised he had been asked to provide his input on behalf of Invest NI to the workshop and had found attendance at the workshop to be very beneficial. He concluded his update by advising that the Minister hopes to hold these workshops on a quarterly basis.

9. UPDATE ON REVIEW OF CASEWORK PROCESS

The CEO provided some background to the review stating that the review team had been given free rein to review the process, with nothing off the table. The CEO advised he had also brokered introductions to Enterprise Ireland and IDA so that each organisation could gain a level of mutual learning on casework review. The review team is now working on a position paper on the casework process which will be reviewed by ELT before coming to the Board. The desired outcome is to optimise the process for both staff and ultimately our customers.

The Chair asked Colin Coffey if he was sighted on the review, as he would need to be involved regarding any changes to the Board approval process. Colin advised he would need some time with Kieran to be updated on progress to date.

Action: Position paper on revised Casework process to be brought to June Board for approval. Chair has asked Colin Coffey to consider, in his role as BFC Chair, supported by Trevor Connolly.

PAPERS TO NOTE

10. DUAL MARKET ACCESS

There was a brief discussion on the Paper. It was agreed that a further Paper setting out the support that Invest NI will provide to indigenous NI companies to help them fully understand and exploit the benefits of Dual Market Access would be helpful.

Action: Paper to come to Board setting out what support Invest NI will provide to indigenous NI companies to fully understand and exploit the benefits of Dual Market Access.

11. ANY OTHER BUSINESS

Brian Dolaghan presented a request for retrospective approval for £1.5m from the Board, for security contract costs for Invest NI sites for the September 2019 to August 2024 period. He confirmed that neither DfE nor DoF approval was required.

The Chair reminded Executives of the need to present papers in a timely manner. The Chair then asked if Brian could give an assurance that there were no other potential retrospective approvals the Board was unaware of and had the Finance team completed a full audit of such matters. Brian stated that he would not be in a position to give an assurance on this; but that

staff had been reminded of the procedures. The ARAC Chair also stated that similar instances in the past had necessitated the setting up of a database to keep a record of all approvals. Brian advised that this database only held details of items requiring DoF approval. The Board approved this request for retrospective approval.

Dawn McLaughlin provided a brief verbal update on the inaugural meeting of the Minister's Ulster University Magee Taskforce.

The Board meeting ended at 12:47.

12. DATE OF THE NEXT BOARD MEETING

The next Board meeting will commence at 10:15 on Thursday 30 May 2024 and will be held at Invest NI Headquarters, Bedford Square, Belfast.

Wendy Savage, May 2024

Chair

**TWO HUNDRED AND FIFTEENTH MEETING OF THE
INVEST NORTHERN IRELAND BOARD, 30 MAY 2024
MEETING HELD AT INVEST NI HEADQUARTERS, BELFAST**

Present:

Invest NI Board

John Healy (Chair)	Patrick O’Gorman
Colin Coffey	Scott Ritchie
Michael McQuillan	Dawn McLaughlin
Dominic Darby	Melanie Dawson
Marie-Therese McGivern	Julie-Ann O’Hare
Kieran Kennedy	Ciaran Mulgrew

Board Secretary: Trevor Connolly

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

Minute Taker: Wendy Savage

The Board meeting commenced at 09:40. The Chair welcomed three members of Invest NI staff, who joined the meeting in an observatory capacity.

The Chair congratulated Board member Melanie Dawson on being awarded Entrepreneur of the Year at the recent Women in Business Technology Awards event.

BOARD STANDING ITEMS

APOLOGIES

None received.

(i) DECLARATION OF CONFLICTS OF INTEREST

It was confirmed that there were no other conflicts with any items under discussion today.

Kieran Kennedy asked that his Register of Interest be updated to record that he is now Chair of Sion Mills Buildings Preservation Trust. Board Secretariat to action.

(ii) RAISING CONCERNS

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

1. MINUTES

The minutes of the April 2024 Board meeting were agreed and will be published online.

2. ACTIONS & UPDATES

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

Action 86 – Chair has agreed that this is deferred until the substantive Regional Strategy paper comes to the Board for approval.

Action 106 – as above.

Action 112 – Land and Buildings Strategy: to be brought to the June Board.

Action 114 – Review of Programmes: included on May agenda.

Action 115 – Segmentation Model: included on May agenda.

Action 116 – Board member licences for Microsoft Project: Board members to respond to Board Secretary’s email of 21 May, if these are required.

Action 117 – Profound change/impact measurement of IR Actions: SRO update included on May agenda.

Action 118 – Draft Business Strategy (2024-27): included on May agenda.

Action 119 – Draft Regional Strategy: included on May agenda.

Action 120 – Green Economy Training Package: Distributed to Board members on 15th May by Board Secretariat.

Action 121 – Position Paper on updated Casework process: to be brought to June Board for approval.

Action 122 – Dual Market Access: paper to come to June Board.

A Board member queried an earlier closed action on the Digitalisation Strategy. It was agreed that the latest draft will come to the August Board for discussion.

Action: Draft Digital Strategy to come to the August Board for discussion.

The Chair then took the opportunity to remind the Executive team of the need to provide Board papers in line with the established timeline: by 11.00 on the morning of the Thursday one week before the Board meeting. This was in order to give members sufficient time to prepare for the Board meeting. He asked the CEO to ensure that this would happen and the CEO agreed.

3. CASEWORKS FOR APPROVAL

Colin Coffey, BFC Chair, recommended approval of one programme relating to Trade to the Board. After a brief discussion, the project was approved by the Board. Colin also updated the Board on his recent meeting with the Casework skunkworks group and their discussion on how to make the casework process more efficient. Colin advised that he has asked the team to come to an upcoming BFC meeting to brief the rest of the Committee on their plans. The Board agreed that any changes to the process must also involve how we integrate with the DfE Casework procedure to ensure that the end-to-end process is more agile, efficient and effective. The CEO advised that, at a recent meeting with the Minister with the Chair, he had advised the Minister that the overall casework approval process was too slow, and this delay in decision-making had the potential to make us uncompetitive in the marketplace. The CEO advised that the Minister was receptive to looking at changes. A Board member asked if the Partnership Agreement would be a way of encouraging better partnership working and setting timelines for casework approval. The Chair advised that the Agreement had been published in early April; but that it is a living document which can be flexed and there is the opportunity to revisit Invest NI's delegated authorities.

4. IMPLEMENTATION OF INDEPENDENT REVIEW ACTION PLAN

The Chair opened this agenda item by thanking everyone for the effort put into the recent Board workshop, which he felt had been both a useful and constructive session for everyone. The Chair advised that the Minister is unhappy with the pace of delivery on the Strategic Actions and is meeting regularly with him and the CEO to hold them to account. In a recent meeting there was an open and frank conversation and the Minister had left the meeting content that the direction of travel was well set but that both the Chair and CEO had acknowledged that the pace of delivery had to improve. The Chair highlighted that delivery of the Action Plan is not an end in itself, instead it is the start of our journey post Lyons and we need to move past this as a milestone. The CEO stated that he felt that the Minister now had a greater awareness of the complexities involved in delivering the Action Plan, as well as a clear sense of our commitment to deliver it.

Mel Chittock provided a brief update, referencing the Board pack and advised that since last month's update, further deep dive sessions had been held with DfE. The areas covered by the deep dives were Policy (Action 7), Regional/Place Agenda (Actions 24 and 25) and Land & Property Strategy (Action 26). Mel then provided further detail on the deep dive sessions:

- Policy - has made little progress. What was being proposed would not have addressed the Action Plan, a suggestion that an informal Forum be established fell short of the recommendation. Concerns were expressed by the Action Owner that there was too much silo working in DfE, There was a need to allocate staff resources to establish the central policy unit. DfE is working to bring this back on track.
- Regional – the proposal to establish Regional Forums was welcomed. While there was broad agreement on the Paper, DfE had moved beyond it and were focused on its delivery e.g. no. of additional staff, timing of their allocation to offices etc. DfE's view was if the additional people were not in place by September, the status of Actions 24 and 25 should be reclassified as red.
- Land & Property – Paper was well received, DfE acknowledged the level of subject matter expertise at Invest NI in this area. There was discussion as to whether Invest NI's role was to build capacity or address existing demand. The long term nature of the work was noted, with time horizon of c5 years to build and an investment period of some 25-30 years.

Mel advised that a deep dive on Skills was planned. DfE had staff resourcing issues and that he was concerned by the lack of progress on this Action. With reference to Board Action 117, Mel stated that the PMO is continuing to work on this; but requested the date on this be deferred until the work on Segmentation and the Regional Strategy are completed.

Action: Agreed that the work on considering how profound change / impact will be measured, is to be deferred until the work on the Segmentation Model and the Regional Strategy are completed.

A Board member noted that the Minister had commissioned IoD to look at the Skills Strategy. Mel concluded by asking Board members for comments or questions. A Board member suggested that the SRO needs to write formally to DfE to challenge the lack of progress on the Policy Action, which is overarching. Members need to understand what is being done to bring this Action back into line. There was also a discussion on the timing of the delivery of the centralised team within Invest NI, there was a need for a clear plan as to how the revised September deadline would be delivered. The Chair stated that, in their recent meeting with the Minister, he has made clear that Invest NI was working to ensure that we get the Regional Strategy right, not what is expedient and that the Minister had agreed with this. Mel stated that, in his opinion, DfE officials are in a different place. The Chair advised that he felt there were communication issues between Invest NI and DfE. What was needed was a common understanding of what had been discussed and the actions agreed, rather than everyone leaving with different views of the same meeting.

A Board member asked about the Board action on measurement of profound change and suggested that looking at staff engagement could potentially be helpful and asked if this was being considered. Mel agreed that a lack of clarity on some actions was fuelling staff dissatisfaction and once these were finalised, staff engagement scores should improve. Another ELT member agreed that staff satisfaction should be linked to the measure of profound change and also links to a cultural assessment which is to be completed in the Autumn but having taken account of staff feedback on survey fatigue. The Chair asked how the resourcing plan is being progressed and recorded and where we are with identifying budget savings (both financial and staffing) following completion of the Review of Programmes exercise. The Chair stated that resourcing should not become a barrier to progress. Mel stated that finalising the Review should free up some financial budget; but he was unsighted as to headcount impacts. The Chair stated that resourcing should be looked at in the round and not in isolation, by individual Action. An ELT member confirmed that there are regular meetings

with the CEO, but further clarity is still required on some resource requests. The CEO advised that his mindset was to look at existing staff deployment before asking for more staff. A Board member stated they would like to see an overall plan for resourcing across all of the organisation which identifies those resources freed up, post the Review of Programmes.

Action: Following completion of the Review of Programmes, a Paper is to come to the August Board, which shows what resulting Financial Budget and Staffing Resource will be freed up for redeployment to other high priority work.

A Board member advised they felt the Board workshop had been a useful exercise, but that they still had concerns on the pace of change and whether Action Owners were bringing forward profound change. Another Board member asked that the Success criteria included in the published Action Plan be collated and shared with the Board, for information.

Action: Board Secretary to extract the Success criteria for each Strategic Action from the published Action Plan and issue these to the Board, for information.

There was then a discussion as to how many additional staff would be allocated to the regional office network and what they will do. The Chair stated that the first issue was agreeing the key priorities that Invest NI would deliver, then consider how Invest NI's finite resources would be prioritised. The CEO stated that the first stage was securing Board approval to the broad direction of travel set out in the Regional Strategy Paper included on today's Agenda. The next stage would be to develop a detailed resources plan to deliver the Strategy. He stated that would be in the context of looking within our existing resource allocation first. He highlighted that the Minister has set out clear regional priorities for Invest NI – more stakeholder engagement, take on a proactive, leadership role, work more closely with the Councils as a meaningful and effective partner and assess their infrastructure needs. He noted that different councils had different asks of Invest NI.

The Chair stated that another priority for the Minister is the Land and Buildings Strategy. A Board member commented that writing the Strategy is Invest NI's remit, but delivering it, in its entirety, is not. The CEO advised that Invest NI will develop the Strategy and that he had highlighted to DfE the significant Budget ask required to deliver it. A Board member also highlighted the wider infrastructure issues of connecting up to utilities, drainage / sewage capacity. Another Board member stated that Northern Ireland lacks a Land and Property Strategy, and that Invest NI definitely has a part to play in this, but there is also a potential

internal specialist skills gap. A further Board member stated that the current Property team is under resourced and requires specific specialist skills requirements to be addressed. Regarding the Segmentation Model, the Chair asked the CEO if the challenges raised previously by ELT have now been resolved. The CEO confirmed the Paper coming later in the agenda had been broadly endorsed by ELT and they were looking forward to the Board discussion later in the meeting.

5. COMMITTEE CHAIR REPORTING

The Chair advised that he had been attending Committee meetings as and when his diary permitted and thanked the Committee Chairs and members for their time commitment and efforts to date. Colin Coffey, BFC Chair provided a brief update:

- The Committee is now at the end of its fact finding and learning phase.
- Committee feels the need for a greater understanding on overlapping interventions and how they impact as a whole.
- Will be discussing productivity at their next meeting
- Casework – internal review is timely and should help the process become more agile. Whilst some casework presenting teams find the extant Board casework process laborious, the Committee is hoping for a resolution which speeds up the process overall.

The Chair stated that everyone should be clear that the Board has a well-defined governance role and is here to scrutinise and challenge. The Board is not advisory, nor is it here to rubber stamp decisions. He asked both the CEO and ELT to reflect on this, as they consider their future interactions with the Board, which he asked to be set at the appropriate tone and level.

Kieran Kennedy, RPC Chair provided a brief update:

- Performance of the Regional Group was being monitored and targets had been exceeded.
- The Committee saw little evidence of interaction between central teams and the Regional offices.
- He asked that the team now be allowed to get on with finalising the Regional Strategy and operationalise it.

The Chair stated that the focus should be on ensuring the Regional Strategy is right and then appropriately resourcing offices. The Chair then queried a reference to a regional Risk Appetite Statement (RAS) in the Board paper and stated that we have one single Invest NI RAS, which was approved by the Board, and there is no need to have a regional RAS. The approved RAS should be disseminated to all staff with appropriate training to enable them to do their jobs, as agreed by the Board in February. He further clarified that the forthcoming meeting with DfE was not to ask their permission / approval, instead it was to update them as to our decisions around risk appetite. The ARAC Chair supported this position. Marie-Therese McGivern, SRC Chair provided a brief update:

- The Committee's biggest focus has been working with the team to get the Business Strategy completed. The Comms team is now involved in helping develop the transformational narrative for what will be the published Strategy.
- SRC has looked at the interim guidance on the Minister's Economic Vision.
- Work is ongoing on the development of performance dashboards.
- Had been some concerns about the shaping of messaging for the Staff Conference, so welcome the fact that the Conference has been postponed.
- Work continues on developing the Communications & Engagement Strategy.
- Thanks to Melanie Dawson and Scott Ritchie for their time spent with the Digitalisation Strategy project team and SRC focus would be stronger on this Strategy moving forward.

The Chair asked when the updated Communications & Engagement Strategy would be ready to come back to the Board. An ELT member advised that once some of the significant actions are completed, they should be able to bring the Strategy to the Board in September.

Action: The updated Communications and Engagement Strategy to come to the September Board for approval.

The Chair stated that, in respect of the Business Strategy, he felt that more work was needed to make the document clearer and more concise for readers. Marie-Therese agreed and said that the final published Strategy would be shorter and snappier, and Gerard McNally would present some mock-ups of the document later in the meeting. Melanie and Scott provided a brief update on their engagement with the Digitalisation

Strategy project team and stated that the team is doing a great job in improving the customer experience with the portal but there needs to be a wider understanding of how we should digitalise all of our systems and interactions. Melanie encouraged the team to be more ambitious and to look to AI solutions. If Invest NI was an AI enabled organisation this could attract more businesses to engage with us. The team is very talented, but Melanie felt they were being held back. Scott stated that there is a robust ICT operations team in place, but they also need to consider how the organisation can get better at digitalising its own operations and be braver. Scott did acknowledge that the team is under resourced and also tied to public procurements rules and that attracting in skills on public sector salary ranges would be a challenge. An ELT member thanked both Melanie and Scott for their engagement to date and asked that they continue to engage with the team. The CEO thanked them for their help to date. The Chair noted the need to be customer centric and that the Digitalisation Strategy was a key enabler of the overall Business Strategy. He stated that there were expert companies in the marketplace who could deliver the Digitalisation Strategy. The CEO agreed that this was not a build or buy issue.

6. ARAC UPDATE

Dawn McLaughlin, ARAC Chair provided a brief update to supplement the ARAC minutes supplied in the Board papers:

- Approved the NIAO Audit Plan for 2023/24
- Received a progress report on the Internal Audit Plan.
- Received an update on outstanding Audit recommendations.
- Reviewed and approved draft Internal Audit Plan for 2024/25.
- Reviewed Corporate Risk Register.
- Received an update from the Governance Council on 2 matters:
 - Approvals – another 3 issues have been identified, which is very frustrating based on the work done to date - all relate to underspends.
 - PPE's – making good but slow progress. Reporting has now been split to show the backlog of PPE's and those recently added for completion.

The Chair stated that while it was good that the approvals issues had been identified internally, this was an ongoing issue. It was important that the Grade 3 / 5s responsible for delivering the Programmes that had been approved, take greater ownership for

ensuring full compliance with formal approval conditions. An ELT member provided assurance to the Board that regular checks are now taking place and further guidance has been provided to the client teams on their responsibilities for reporting.

OPERATIONAL ITEMS

7. CEO REPORT TO BOARD

The CEO advised that in coming months members will see several iterations of his CEO Report to Board as he seeks to make changes to the report. Kieran thanked SRC Chair Marie-Therese McGivern for her input on this. The CEO gave a brief update to supplement his Report:

- The economy remains resilient, with Manufacturing reporting strong activity.
- Ongoing visits to the regions enabled him to meet with both stakeholders and businesses, who are reporting that capacity to grow is currently restrained by resourcing, skills, interest rates and infrastructure issues. These constraints are directly impacting upon Invest NI's Work-In-Progress (WIP),
- 234 new business projects were appraised and approved in March & April 2024.
- He has met with NI Networks and is due to meet with NI Water. Hopes these will broker introductions to those companies having difficulties.
- The launch of the Accelerator was very positive.
- There are 20 Client Executives currently working on City & Growth Deals (C&GD), which is also impacting upon our WIP pipeline.
- We met all the performance targets except two.

There was then a discussion about how we strengthen the WIP pipeline and the impact of redeploying staff to C&GDs. While recognising the importance of C&GDs, the Chair noted that the real world impact of conflicting priorities should be flagged to DfE. It was also important to identify and feedback the potential knock-on impact of any future operational asks from DfE on the delivery of Invest NI's agreed targets and Business Strategy. The CEO stated that the Board's support would likely be required should Invest NI wish to say no to DfE, on the basis that the new task was not aligned to our strategic priorities.

8. FINANCE REPORT TO BOARD

Brian Dolaghan made a brief presentation to supplement the Finance Report to Board. Key headlines were: (i) Provisional Outturn 2023/24 – within agreed tolerances, acknowledgement to all of the teams who contributed to bringing the budget in; (ii) Budget Allocation 2024/25 – Capital bids all met, Resource bid not met; (iii) June Monitoring – slight softening in Resource, material softening in demand for Capital, which has resulted in the decision to surrender Capital now. Brian walked the Board through the various issues contributing to the reduction in demand and advised that various options had been robustly explored to use the Capital, rather than surrender it, but these could not be made to work. In terms of the 2024-25 Capital Budget allocation, Brian observed that City & Growth Deals had not come on stream as quickly as planned and this may be potentially freeing up Capital at the centre. However, this could mean that Capital allocations become more pressurised in future years, when the various C&GDs do require funding. A Board member raised issues around how a balanced budget is delivered. They were uncomfortable with the process of flexing budget lines, as they could not understand or see what was being done. The Chair stated that the Board needs to understand the process being undertaken and have sufficient insight to take assurance from what was being done. Brian stated that nothing was being hidden from the Board - the Board member agreed that he did not think this was the case. In respect of 2024-25, the Board member noted the significant unfunded pay pressure and asked how this was to be managed. The Chair asked is this issue universal across Departments and ALBs and Brian confirmed that it was. The Board member challenged the principle that any budget reduction only fell to non-staff costs, he felt that staff costs were considered sacrosanct, and all options needed to be considered when managing significant budget pressures. Several other Board members expressed their disappointment with the budget surrender, having had to do the same thing in previous years. Brian stated that no one was more disappointed at having to surrender budget than ELT, but ultimately the reason for the surrender had been an aggressive bid to push business forward; but the actual demand from companies had not then materialised, due to adverse market conditions. Another ELT member stated that teams were out actively following leads and trying to build up the WIP pipeline. The Chair stated that the challenge moving forward is to ensure we have

streamlined processes that facilitate businesses wanting to work with us and then as WIP increases we will be able to spend budget in a timely and effective manner.

SPECIFIC PAPERS

9. DRAFT BUSINESS STRATEGY UPDATE

Gerard McNally joined the meeting at 12.15 and presented a first draft of the potential graphics/layout for the Business Strategy received from the copywriters. Board members provided the following feedback:

- Should we remove any reference to Lyons?
- Now time to move forward. Can be referenced as “*Transformation Journey*”.
- Members now feel like the Strategy is starting to come together.
- Too much emphasis on C&GDs in some of the graphics.

Gerard noted that there were 3 versions in production: - a concise Executive Summary; a short form external and a longer internal. The Chair asked what the next steps now are. Gerard advised that he is working towards the June deadline and will bring back the final version of the Business Strategy to the Board for approval in June. There would now be an internal focus to close out the copywritten version of the document. The CEO advised that he was happy with the direction of travel, but that we now need clear, concise messaging and the format to be user friendly for an external audience. Board members suggested it would be helpful to (i) have critical friends review it before publication, (ii) get a business perspective on it and (iii) engage with staff on the vision and values. Gerard left the meeting at 12:40.

Action: Final version of the draft Business Strategy to come to the June Board for approval.

10. SEGMENTATION MODEL

George McKinney and Iain Joannides joined the meeting at 12:40. George provided a brief overview to supplement the paper in the Board pack. Board members provided the following feedback:

- How do we present the change to the outside world in a clear, concise vision?
- Does it feel different to the industry?

- The key elements of the profound change and the alignment to international best practice needs to be clearly drawn out.
- How do you get to be a focus client / how do we identify focus clients?
- How will a business easily identify: (i) am I in the right segment? (ii) what support do I get?
- How will digitisation of processes be factored in?
- How does this link to the overall Business Strategy and the Regional Strategy? It is hard to see the join.
- Resourcing impact – this needs to be part of the larger conversation around delivering the Business and Regional strategies.
- What services / support does each segment receive, precisely?
- Has the revised model been road tested internally / with critical friends / with external business organisations?
- Do we fully understand how businesses want to engage with us?
- The model should be used to sell the organisation's offering.

George advised that the model is simply a framework for everything that Invest NI does, and that the Comms element has not yet been finalised as they wanted to get the Board's endorsement first. Individual business needs will be addressed by separate programmes / interventions. The model is deliberately simple as it is just the framework for engagement with businesses. Further detail would be provided at the next stage of engagement. The CEO confirmed that he saw a lot of change in this draft and that it fully aligned with international best practice. The Chair advised that the Board feels this need more work and further detail before the Board can endorse. George and Iain left the meeting at 13:18.

Action: A revised framework, with next level of detail, to come to the June Board for further discussion.

11. OUTCOME – REVIEW OF PROGRAMMES

Clare Mullan joined the meeting at 13:18. Board members stated they were comfortable with Clare's paper and the progress made against the action. The Chair asked how the team planned to communicate the outcomes both internally and externally. Clare advised that this would not be done until the Business Strategy is

published and then they intended to publish a document of their own showing the new suite of interventions, this would be intended for use internally and externally. The Chair asked what progress had been made on looking at how the assessment model could be used in other parts of the organisation. Clare advised that programmes and interventions are constantly being appraised and this would be further embedded once the Central Compliance team is up and running. Strategic alignment to the Business Strategy and Minister's priorities will be a core part of the appraisal process for any programme or intervention. Clare advised that discussions are also ongoing as to how this can be implemented in the casework appraisal process. The Chair asked to see a table which included the scores for each individual programme which had been reviewed. Clare left the meeting at 13:29.

Action: Table be recast to include individual scores per Programme and Clare Mullan to circulate this to the Board via correspondence.

12. UPDATE ON REGIONAL STRATEGY

Alan McKeown provided an update to supplement the paper in the Board pack and following his deep dive with DfE. His feedback from the deep dive was that the direction of travel was ok but more detail was required about the how and the timing of delivery. The overarching purpose of the paper is to ensure that at the regional level the purpose, functions, form, delivery models and partnerships are tuned to deliver the Minister's four priorities. He confirmed that his paper was fully aligned with the Segmentation Model. Next steps are now all converging on the target date in September, with a lot of moving pieces to be pulled together and the team is now looking for feedback and endorsement from the Board on the direction of travel. Kieran Kennedy, RPC Chair stated that there has been both DfE and Ministerial input to the current draft Strategy and the job of the Board is now to endorse and hand it over to ELT to operationalise. He stated that he feels the draft Strategy provides a comprehensive response to the Lyons report. Kieran further stated that there are timelines for delivery, which had now been signed off by the CEO.

The Chair stated that the Board is clear that any Paper presented to the Board must first be agreed by the CEO and that the Board's role is to scrutinise and challenge. The Chair questioned how the proposed Business Innovation Grant and Regional

Development Fund (RDF) referenced in the Paper aligned with the draft Business Strategy and fitted in with the Review of Programmes exercise. He felt these needed further explanation. The CEO advised that the RDF had been included following a clear steer from DfE on behalf of the Minister, but that further clarity on it had been requested from DfE. The Board expressed a clear concern that any funding packages should be fully aligned within the overall core package offered by Invest NI, rather than being a separate offshoot, managed solely in the regions. Board members felt that further work was required to fully work through the Strategy as it was a critical piece of work which had to fully align with overall Business Strategy. It was important to understand the resourcing ask and office location. The CEO stated that more emphasis would be applied to supporting start-ups. Alan advised resourcing would be considered once Board had endorsed the direction of travel. The Chair advised he was content with the direction of travel; but had reservations that required more detail to be presented as to the how and when. A Board member suggested that Invest NI should have a Digital Office as well as a regional presence. The CEO suggested that if the Board was content to endorse the broad direction of travel, the team would come back to Board in June with the detail on the operating model underpinning the draft Regional Strategy. The Chair advised he was content with this approach. Dawn McLaughlin, Julie-Ann O'Hare, Ciaran Mulgrew and Colin Coffey left the meeting at 14:05 to attend an ARAC Meeting.

Action: An updated paper, which sets out the detailed operating model underpinning the draft Regional Strategy, including no. of staff, their role and where they will be sourced from, to come to the June Board for discussion.

13. EXECUTIVE PERFORMANCE ASSESSMENT COMMITTEE (EPAC) AMENDMENT TO TERMS OF REFERENCE (ToR)

The EPAC ToR was originally approved by the Board in February 2024 and has now been revised to include commentary around setting of performance targets for the CEO and reformatted to bring them into line with those of the other Board Sub-Committees. The draft EPAC ToR has been reviewed by the Chair, the ARAC Chair and the SID and on that basis is now recommended to the Board for approval. Board members approved the amendment to the ToR.

PAPERS TO NOTE

14. MARKETING & COMMUNICATIONS REPORT

The paper was noted with no comments.

15. ANY OTHER BUSINESS

Brian Dolaghan presented a paper which sought Board approval of a proposed alteration to the current governance arrangements concerning the oversight of Invest NI's Access to Finance (A2F) suite of products. It is proposed as a consequence of both the altered structure of Invest NI Board Sub-Committees and the desire, expressed by Board, that Invest NI Board members should no longer sit on Access to Finance debt and equity Advisory Panels. The Board was content to approve this request.

The Board meeting ended at 14:10.

16. DATE OF THE NEXT BOARD MEETING

The next Board meeting will commence at 12:00 on Thursday 27 June 2024 and will be held at Invest NI Headquarters, Bedford Square, Belfast.

Wendy Savage, June 2024

Chair