

Minutes of the 181st Meeting of the Board of InterTradeIreland, the Trade and Business Development Body.

Tuesday 27th February 2018 – InterTradeIreland (12.30pm – 14.05 pm)

Present:

Board Members:

Mr Ken Nelson	Chairman
Mr Paul O’Sullivan	Vice Chair
Mr Micheál Briody	
Mr Timothy Cairns	
Mr Paul Greenfield	
Ms Ann Rudden	
Mr James Spratt	

In Attendance:

Observers:

Ms Florence Bayliss	Nominated Board member
Ms Adrienne McGuinness	Nominated Board member

Executive:

Mr Aidan Gough	Designated Officer
Ms Margaret Hearty	Assistant Designated Officer
Ms Alayne Kinver	Assistant Director of Strategy and Policy
Mr Alan Morrow	Assistant Director of Programmes and Business Services
Ms Orla McGlennon	Board Secretary

181.1 Apologies

Apologies were received from, Mr Terry Crossan and Mr Patrick Joy.

181.2 Opening Remarks

The Chairman welcomed the recently nominated Board members Florence Bayliss and Adrienne McGuinness to the meeting as observers. He explained that their formal appointment

is dependent on ratification at a meeting of the NSMC which will not take place until the return of devolved government in Northern Ireland. Introductions by all attending the meeting were made.

181.3 Conflict of Interest

The Chairman asked members to declare any conflicts of interest relating to today's agenda. The Chairman declared a potential conflict of interest arising from his position as CEO of LEDCOM, which is a member organisation of Enterprise Northern Ireland and is involved in the delivery of the Co-Innovate programme. Mr Greenfield declared a potential conflict of interest arising from his position as a member of the Peace IV Working Group and as Board member of East Border Region Ltd, which is involved in the delivery of the Co-Innovate programme. Ms Ann Rudden declared a potential conflict of interest arising from her position as founder and MD of Áine Hand Made Chocolate who are participants on the Co-Innovate programme. Mr Briody also declared a potential conflict of interest arising from his position as CEO of Silver Hill Foods who are participants on the Co-Innovate programme.

No other conflicts were declared.

181.4 Matters Arising

Mr Gough reported that all matters arising from the January 2018 Board meeting had been either completed or were in hand. A meeting with the DfE Permanent Secretary and DBEI Secretary General had been requested. Mr Gough advised that a letter of congratulations on his new appointment as DfE Permanent Secretary had been sent to Mr Noel Lavery on behalf of the Board. Any Board members who had not already done so, were asked to submit their annual Statement of Interests form to the Finance Manager.

181.5 Chairman's Business

The Chairman reported that he had sent a letter on behalf of the Board to officials in DfE and DBEI outlining concerns regarding outstanding appointments to the Board and seeking advice and approval on the matter of reducing the Board quorum to six members. Responses have now been received from both Sponsoring Departments indicating that this would be acceptable given the current number of Board members and to enable the Board to continue to operate effectively. The Board discussed this matter and Mr Spratt proposed the reduction of the Board quorum to six members and Mr O'Sullivan seconded the motion. The Board approved the revised Board quorum.

The Chairman thanked Board members for approving the revised Acumen V budget by written procedure. The Board ratified the increase in budget unanimously.

The Board agreed that the results of the Board Effectiveness Self-Assessment Questionnaire would be considered after the next Board meeting.

The Chairman advised that to ensure General Data Protection Regulation compliance, all Board members would be issued with InterTradeIreland devices with secure encryption to receive their Board and Sub Committee papers. Training on the platform will be provided at the April Board meeting. The Chairman asked that appropriate devices be procured.

The Chairman advised that he had responded to the letter from Pól Ó Gallchóir, Foras na Gaeilge on behalf of the Board.

The Chairman asked the Board to note his apology for the 26th June 2018 Board meeting. The Vice Chair, Mr Paul O’Sullivan advised that he would be available to chair the meeting.

181.6 Authorisation of the 28th November 2017 and 30th January 2018 Board Minutes

The minutes of the 28th November 2017 and 30th January 2018 Board meeting were agreed as a true record of the meetings and were approved by the Board and authorised by the Chairman.

181.7 Designated Officer Report

Mr Gough welcomed the newly nominated Board members to the meeting.

He advised that the post of Corporate Services Director had been advertised with the closing date for applications on 9th March 2018. The Chairman, Ms Hearty and he would sit on the interview panel. The post of Operations Manager had attracted a high level of interest with eighteen applications being received.

Mr Gough advised that the Senior Management team has embarked on a process to update and streamline internal process in line with our corporate digitisation objectives. A Sub-Committee has been established to review and improve, in terms of efficiency and effectiveness our applications, claims management and letters of offer/appointment procedures. In addition, our core information and data management system, Datakraft is being upgraded to a web based platform which will allow better integration of systems and data management. Mr Gough reported that the Investors in People process will commence in May 2018.

The Senior Management team are currently developing a number of business cases for new projects and additional activities within existing programmes. These include Business to Business Fusion projects, Sales Development activities, Data Analytics and Sectoral Reporting for Cross Border Traders, a Cross Border Showcase event and the re-introduction of the Third Party Financial Assistance Scheme. Mr Gough informed the Board that the Financial Assistance Scheme was approved by the NSMC and was temporarily suspended as a result of budgetary constraints.

InterTradeIreland is participating in a Day 1 Planning Exercise as requested by DfE. The aim of Day 1 Delivery Planning is to “ensure that all policy areas and services have been considered and there are no ‘surprises’ or unexpected impact on any government service on Day 1 following EU exit”. Mr Gough advised that InterTradeIreland has met with DfE and carried

out a comprehensive review across its programmes and corporate services in terms of risks, potential solutions and impacts.

Mr Gough updated the Board on recent stakeholder engagement. The Senior Leadership team presented to the Invest N.I. Board and to SOLACE (N.I.) outlining our current activities. Meetings were held with Ms Emma Little-Pengelly MP and Minister Humphreys TD. Mr Gough reported that Minister Humphreys has agreed to launch our Cross Border Trade and Supply Chain Linkages report. The Chairman thanked Mr Spratt for organising the meeting with Ms Little-Pengelly. The Board agreed that the Chairman and Senior Leadership team should seek a meeting with Ms Karen Bradley, Secretary of State for Northern Ireland.

The Board noted the Designated Officer's report and the Chairman thanked Mr Gough for his update.

181.8 Board Sub Committee Reports

Innovation Sub Committee Report

Mr Paul O'Sullivan reported back from the Innovation Sub-Committee meeting held on 30th January. He informed the Board that ten new Fusion applications were considered. Seven projects were approved, two were deferred for further information and one was rejected.

The Board noted the Innovation Sub-Committee report and the Chairman thanked Mr O'Sullivan.

Trade Sub-Committee Report

Ms Rudden reported back from the Trade Sub-Committee meeting held on 30th January 2018. She advised that the Committee considered eight new Acumen applications and four deferrals. Nine projects were approved, one was deferred for further information and two projects were rejected.

The Board noted the Trade Sub-Committee report and the Chairman thanked Ms Rudden for chairing the Sub-Committee meeting.

The Chairman invited Ms Bayliss and Ms McGuinness to sit as observers at any of the Board Sub-Committee meetings.

All Island Innovation Programme

Ms Alayne Kinver presented a proposal for the InterTradeIreland All-Island Innovation Programme (AIIP) 2018 to 2020. She advised that the programme is now in its eight year and is a highly successful partnership between InterTradeIreland and four universities from across the island. The partnership was established to promote and encourage innovation through a cross border innovation programme consisting of the delivery of a series of master classes,

innovation lectures and seminars on an annual basis delivered by the universities. The aim of the programme is to disseminate international best practice in the area of innovation policy and management to a wide range of businesses, particularly SMEs, academics, policy makers and researchers and to encourage cross border cooperation between the academic institutes involved.

Ms Kinver informed the Board of the achievements of the programme for 2016/17 with all targets being surpassed. The programme has helped InterTradeIreland to engage with a large cross section of large and small businesses and has provided valuable support and information for many SMEs. Ms Kinver reported that there is a real demand for the programme which was demonstrated at the AIIP lecture in Queens University in September 2016 which was oversubscribed and a second masterclass had to be organised. The new programme format will involve the universities committing to twenty-four events with internationally renowned speakers. The programme will allow for better planning and build momentum throughout the three-year duration and the numbers that the universities are committing to engage with are increasing as a result of securing international speakers.

Ms Kinver outlined the key benefits of the programme to audiences which will include:

- SME engagement with international innovation experts;
- Regular business to business networking opportunities;
- Further development of university-industry linkages;
- Strengthening of cross border academic relationships;
- Expansion of international academic relationships; and
- The opportunity for policy makers to learn from international innovation best practice and network with academics and business leaders.

The key benefits to InterTradeIreland will include:

- Contribution to InterTradeIreland's key performance indicators;
- Enhancing InterTradeIreland's reputation as a disseminator of leading innovation advice to the business community;
- Platform to market InterTradeIreland's full suite of innovation and trade supports to SMEs from across the island; and
- Opportunity to raise the profile of InterTradeIreland amongst businesses, academics and policy makers in relation to its objectives for the development of a cross border innovation ecosystem which will have mutual benefits to the economies of Northern Ireland and Ireland.

Ms Kinver informed the Board that funding for the AIIP has been accounted for in the 2018 Business Plan which was approved by the Board in September 2017.

The Board discussed the proposed programme and the importance of attracting global thought leaders was highlighted. The use of webinars was recommended and the need to ensure a satisfactory communications strategy for the programme. The Board approved funding for a three-year period (subject to satisfactory annual reviews) towards the costs of delivering the InterTradeIreland All Island Innovation Programme.

Q4 2017 Business Monitor Results

Ms Nicola McGuinness, Policy Research and Innovation Project Manager joined the Board meeting for this agenda item.

Mr Gough advised that that the latest Business Monitor results had generated significant PR coverage.

Ms McGuinness reported although the latest survey indicates a healthy all island economy, there are some signs of divergence between Northern Ireland and Ireland. Overall 40% of businesses are in growth mode and 54% reporting stability. A breakdown of the figures reveals however that significantly more firms in ROI are enjoying growth - 45% compared to 28% in NI. Despite the high levels of growth, and the fact that 85% of firms are reporting to be working at or close to full capacity, only a small number of firms reported an increase in employment, a fact that might be explained by the large number who are operating on relatively low margins.

Ms McGuinness reported that 98% of businesses have indicated that they are not formally planning for Brexit. Whilst only 8% of cross border business have made formal plans in preparation for Brexit, the survey shows that informal planning activities have increased. 25% of businesses with cross border sales reported that Brexit has had a negative impact on their business.

The Chairman thanked Ms McGuinness for her presentation.

Operations Directorate Progress and Activity Report

Mr Morrow presented the Operations Directorate Progress and Activity Report. He advised that there continues to be a demand for the Brexit Advisory Service particularly the Start to Plan Vouchers. Brexit events have been geographically targeted with limited applications to date and events are planned for Sligo and Cork on 1st and 17th May respectively. These events will be broadly in line with the Belfast and Dublin events in terms of content with Vincent Power of A&L Goodbody confirmed as the keynote speaker. Mr Morrow reported that InterTradeIreland are jointly hosting a Brexit event with Enterprise Ireland in Cootehill, Cavan on 22nd March which will be attended by Minister Humphreys. The Brexit Advisory Service will be advertising for a Digital Project Manager role in the near future to assist with enhancing digital interaction with businesses.

The HBAN conference took place in Dublin on 8th February with over 250 attendees. The annual Venture Capital Conference will be held on Wednesday 7th March in the Crowne Plaza Hotel, Belfast with over 300 delegates expected to attend of which 70% will be early or start up SMEs. An all island investor dinner will take place on the eve of the conference. All Board and nominated members were invited to attend the dinner and conference.

Mr Morrow advised that the 15th Seedcorn Investor Readiness Competition will be officially launched at the Venture Capital Conference. The Board approved the proposed breakdown of the Seedcorn prize fund of €280,000:

- Overall winner - €100,000;

- Category winner - €50,000;
- 6 x Regional winners - €20,000 each and
- Special award winner - €10,000.

Mr Morrow reported that Minister O'Donovan (Department of Public Expenditure and Reform) recently launched our "Selling to Government" breakfast briefing series at the IBEC offices in Dublin. The event was attended by forty-two SMEs who viewed new animations and video case studies as well as receiving Go-2-Tender training. The next briefing will be delivered in Waterford with the Chamber of Commerce hosting the event.

The Board noted the Operations Directorate report and the Chairman thanked Mr Morrow for his update.

Governance and Financial Matters

Ms Hearty presented the Governance and Financial Matters report.

She advised that interim external audit work was undertaken by the N.I. Audit Office at the end of January. To date no issues have been raised with management following this work. The final audit fieldwork will commence in April and the draft year-end accounts will be presented to the Audit and Risk Assurance Committee at the March 2018 meeting.

The internal auditors completed audit fieldwork focusing on programmes at the beginning of February. A draft report on this work is expected in the near future and will be reviewed by management and reported to the Audit and Risk Assurance Committee.

Any Board members (who had not already done so) were asked to submit their Statement of Interests forms to the Finance Manager.

Ms Hearty informed the Board that the General Data Protection Regulations (GDPR) comes into force on 25th May 2018. Preparatory work to ensure compliance with the new regulations has commenced and an internal working group has been established to review the impact of GDPR on how the Body conducts its business. A complete audit of all data held including data held on behalf of the Body is being carried out. This includes a review of our contracts and data retention policy. InterTradeIreland is liaising closely with the Information Commissioner's Office (ICO) on the requirements of the new regulations and the IT Manager is participating in a DfE GDPR working group. The Board discussed GDPR and agreed that a briefing on how the Body is preparing for GDPR should be prepared for review by the Board.

The Board noted the Governance and Financial Matters report and the Chairman thanked Ms Hearty for her report.

Tenders and Variations to Letters of Offer/Appointment

Ms Hearty presented a proposal to extend the current contract with Dublin BIC to deliver the HBAN (Halo Business Angel Network) programme. She advised that an economic appraisal for the next phase of the HBAN programme is currently underway. This is a joint appraisal which InterTradeIreland is undertaking in partnership with Enterprise Ireland and Invest N.I.

One option that is being considered is an all island Halo business angel network (currently two networks operate somewhat independently in Ireland and Northern Ireland). The completion of the economic appraisal has been delayed considerably due to the complexity of undertaking a joint economic appraisal with the other economic development agencies.

The Board discussed and approved an extension to the current contract with Dublin BIC for the delivery of the HBAN programme for a period of up to 4 months from 1st April 2018.

Ms Hearty advised that InterTradeIreland as lead partner of the Co-Innovate Programme, requires an online service provider to design and develop a website for the programme. The site is intended to serve as a platform for facilitating exchange of information between Co-Innovate partners and as an informational tool for SMEs interested in cross border trade and innovation. The service will include the development of an online recruitment platform which is a key element of Strand 4 of the programme. The Board discussed and approved the request to go to competitive tender for a Co-Innovate programme website.

Ms Hearty reported that the spend on PR activities has decreased significantly over the last number of years. The current contract for PR services is due to expire on 30th May 2018. Board permission is sought to tender for a suitably experienced communications consultancy to provide PR and event management services across the island. This would focus on assisting InterTradeIreland in the planning and delivery of communications activities across the island, including media relations, external relations advice and support, PR campaigns and events management. In relation to events, the contract would also include major corporate events such as:

- Venture Capital Conference;
- Seedcorn Awards;
- Meet the Buyer Events; and
- Major Brexit Conference

Ms Hearty informed the Board that the contract would be for a three-year period, subject to satisfactory annual reviews. It is proposed that PR services are included as part of a unified tender along with event management on an all island contract. Advice will be sought on the mechanics of this from CPD on whether it will be an all island contract or a separate contract for each jurisdiction.

The Board discussed and approved the request to go to competitive tender for an experienced communications consultancy to provide PR and events management services for a three-year period subject to satisfactory annual reviews.

Communications Update

Ms Rudden advised that Ms Eimear Fitzpatrick, Communications Manager will present the 2018 Communications Plan at the next Board meeting.

Ms Hearty presented the Communications Update. She advised that a web development and design company based in Belfast has been awarded the contract to build and design a new website platform for InterTradeIreland.

Four companies were recently awarded ‘Fusion Exemplar’ status at a very successful event in Carton House, Co Kildare. Four videos were developed by the Communications team for use at the event and on social media. Extensive media relations were undertaken resulting in widespread media coverage.

Ms Hearty reported that the brand refresh has been recently completed, with a focus on a new range of photography commissioned of companies successfully supported by InterTradeIreland.

Regional marketing of the Brexit Advisory Service via digital platforms, search engine optimisation and local radio has commenced in areas where there is a low uptake of Brexit activity. Ms Hearty advised that work has started in Connaught and south Munster to align with forthcoming events. These activities will be rolled out in targeted areas across the island in 2018.

The Board noted the Communications Update and the Chairman thanked Ms Hearty for her report.

Brexit Update

Mr Gough gave an update on Brexit activities. He advised that the main focus is on getting businesses to commence planning for Brexit. The latest Business Monitor results indicate that an increasing number of companies have started informal preparations for Brexit. There has been an increase in numbers applying for Start to Plan Vouchers. Consideration is being given to conducting a wider campaign including possible radio advertisements. Mr Gough stressed the importance of having a more positive message to encourage more companies to Plan, Act and Engage.

Mr Gough referred to the WTO report which has been well received by both companies and policy makers. He advised that the *Cross Border Trade and Supply Chain Linkages* report is due to be launched in the near future. This report evidences the highly integrated nature of cross border supply chains. In particular, it notes that for more than 50% of Irish exporters, Northern Ireland comprises 50% or more of their export market. Mr Gough also advised that two further research reports are underway which will investigate cross border trade in services and also the capacity of businesses to absorb the costs associated with Brexit.

Mr Greenfield advised that some companies who are preparing for Brexit have introduced new and innovative ideas /approaches for their businesses including consideration of new market opportunities.

The Chairman thanked Mr Gough for his update.

Co-Innovate Programme Update

Mr Neil Ryan, Co-Innovate Programme Director, joined the Board meeting for this agenda item.

Mr Ryan informed the Board that targets to date for Strand I and 2 of the Co-Innovate Programme have been met. He advised that one workshop in Donegal had recently been postponed due to weather conditions.

The tender for the procurement of mentors to deliver Strand 3 of the programme has been completed. This will involve providing 10-days expert advice to SMEs. Helix Ireland and Targeting Innovation have been appointed as the mentor managers in Ireland and Scotland respectively.

Mr Ryan updated the Board on Strand 4 of the Co-Innovate programme. He reported that the tender for the procurement of Academic Institute partners is currently with Central Procurement Directorate for approval with a view to the tender advertisement being placed at the end of February 2018.

Approval by an assessment panel for SMEs to begin to develop their business cases for Strand 5 of the programme are scheduled to commence in April 2018, with the first projects launched in August 2018.

Mr Ryan advised the Board that at the last Co-Innovate Project Management Committee meeting, approval was given for the Strand 4 and 5 Assessment Panels to approve projects. He sought Board approval to give delegated authority to the Strand 4 and 5 Assessment Panels to approve project expenditure. The Board discussed and agreed to this request. Mr Ryan informed the Board that a summary of the Co-Innovate panel decisions will be presented to the Project Management Committee on a quarterly basis.

The Board noted the Co-Innovate programme report and the Chairman thanked Mr Ryan for his update.

Business Plan Commentary Report

The Board noted the Business Plan Budget Variance and Milestone Exception Report.

181.9 AOB

A report that had been received for all Board members on the “Economic Impact of an All Island Economy” by Paul Gosling was distributed.

Mr Gough informed the Board that the Body has a Third Party Financial Assistance Scheme which has been approved by the NSMC and Departments of Finance. The purpose of the scheme is to support viable business initiatives/projects in cases where the promoter has neither the necessary financial resources to advance the project nor access to same from other sources but where the project offers a credible contribution to the achievement of InterTradeIreland’s objectives as defined in its Corporate and Business Plans. The scheme operated successfully but was withdrawn due to budgetary constraints. The Board discussed and agreed to the re-introduction of the Third Party Financial Assistance Scheme.

Mr Gough informed the Board of the imminent retirement of Mr Gerry Wrynn. The Board asked that a letter of thanks be sent on behalf of the Chairman and Board to Mr Wrynn, North South & Inward Investment Unit, DBEI on his retirement.

.....Authorised by:

Mr Ken Nelson
Chairman, InterTradeIreland
27th March 2018