

Minutes of the 160th Meeting of the Board of InterTradeIreland, the Trade and Business Development Body.

Tuesday 26th January 2016 - InterTradeIreland (12.30pm – 14.30 pm)

Present:

Board Members:

Mr Martin Cronin	Chairman
Ms Joanne Spain	Vice Chair
Ms Rosemary Delaney	
Mr Jack Gallagher	
Mr Paul Greenfield	
Mr Patrick Joy	
Mr Timothy Mayes	
Mr Kevin Norton	
Mr Paul O'Sullivan	
Prof Terri Scott	

In Attendance:

Executive:

Mr Thomas Hunter McGowan	CEO
Mr Aidan Gough	Director of Policy and Strategy
Ms Margaret Hearty	Director of Programmes and Business Services
Mr Laurence Lord	Director of Corporate Services
Ms Orla McGlennon	Board Secretary

160.1 Apologies.

Apologies were received from Mr Terry Crossan and Mr James Spratt.

160.2 Conflict of Interest.

No conflicts of interest were declared.

160.3 Authorisation of Previous Minutes.

The Minutes of the 24th November 2015 Board meeting were approved by the Board and authorised by the Chairman.

160.4 Chairman's Report

Following introductions, the Chairman welcomed the new Board Members, Mr Paul Greenfield, Mr Patrick Joy and Mr Paul O'Sullivan to their first Board Meeting. He advised that the 26th April 2016 Board meeting would be held in Belfast to coincide with a Funding for Growth event that was being held on the same day.

Mr Cronin outlined InterTradeIreland's broad objectives; specifically providing trade and innovation support and advice for SMEs on the island and in doing so, contributing to economic growth. In the current economic climate, North South economic co-operation offers real opportunities for businesses to grow their sales, develop new business opportunities and improve their competitiveness. The Chairman advised that in his opinion, the Body is functioning well and meeting its objectives and challenges. The Chairman also advised of the on-going budgetary reductions over recent years and the success of the organisation in doing more with less. He indicated that the immediate challenge facing InterTradeIreland is the uncertainty over the availability of adequate funding post 2016 to enable operational effectiveness to be maintained.

160.5 CEO Report

Mr Hunter McGowan presented his CEO report. He advised of the various outreach events he attended since the last Board meeting. The CEO reported that the 2016 Business Plan has not yet been approved and he gave an update on the current budgetary situation. It is hoped that the 2016 Plan will be approved by NSMC in the near future. Mr Hunter McGowan informed the Board that the current Corporate Plan expires in December 2016 and a new Plan for 2017 – 2019 will be prepared in the coming months.

The CEO reported that early indications show that all key performance targets for 2015 will be met and in some instances exceeded. He commended the work of all the staff in achieving these ambitious targets.

Following a competitive tender competition, a Managing Agent for the Fusion V programme has been appointed. The CEO advised that in his role as Chair of the North South Pensions Committee he recently attended a meeting with the Revenue Commissioners and the Department of Expenditure and Reform. The meeting was to discuss the effect of reforms to the North South Pension Scheme on Southern members. Given that all InterTradeIreland staff are Northern members of the scheme, they are not affected by these reforms.

The Chairman thanked Mr Hunter McGowan for his report.

160.6 Board Sub Committee/Steering Committee Reports

Audit and Risk Assurance Committee Report

Mr Mayes reported from the Audit and Risk Assurance Committee meeting held on 24th November 2015 and referred to the Audit and Risk Assurance Committee Board report. He praised the sterling work carried out by Board members and staff in 2015. The Board noted the positive internal audit of financial controls, and thanked Mr Lord and Ms Quinn for their management of financial matters.

The Chairman thanked Mr Mayes for his report.

Innovation Sub Committee Report

Mr Norton reported from the Innovation Sub Committee meeting held on 24th November 2015. He advised that 3 new Fusion applications were considered and 2 projects were approved and 1 was rejected. The Board noted the decisions of the Sub Committee.

The Chairman thanked Mr Norton for his report.

Trade Sub Committee Report

Mr Paddy Savage, Operations Manager joined the Board meeting for this agenda item. Mr Savage reported back from the Trade Sub Committee meeting held on 24th November 2015. The Committee considered 20 Acumen applications and approved 15 projects, 3 from the Munster region, 5 from the Leinster region, 3 from the Connacht region and 4 from the Ulster region. Two projects were rejected and 3 projects were deferred for additional information. The Board asked the Executive to include in the regular documentation a summary of those projects rejected or deferred at Sub Committee meetings. The Board noted the decisions of the Sub Committee.

The Chairman thanked Ms Hearty and Mr Savage for their updates.

160.7 For Consideration, Discussion, Decision &/or Approval

Operations Directorate Progress and Activity Report

Ms Hearty presented the Operations Directorate Progress and Activity Report. She advised that 2015 was a busy and challenging year. Demand for programmes continued throughout 2015 and in particular from SMEs located in Northern Ireland. Most programmes exceeded the targets set at the beginning of the year. Ms Hearty informed the Board of the new initiatives introduced in 2015, including the launch of the new Funding for Growth Advisory Service. Regional workshops are delivered with the aim of encouraging SMEs to learn about new and alternative sources of finance for businesses. Ms Hearty reported on the Go-2-Tender Lite workshops which are delivered in partnership with local Councils North and South. These workshops focus on introducing local small businesses to the process of public tendering. Other new initiatives included a pilot collaboration with the Irish Exporters Association to encourage more SMEs to take their first steps to export. Ms Hearty reported on the extensive outreach activity in 2015 which would continue in 2016.

Targets have been set for all programmes in 2016 and the priority remains to assist as many eligible SMEs as possible to take advantage of cross border opportunities. The Board discussed the Operations Directorate report and commended the staff involved in achieving the ambitious targets. Ms Spain commented on the change in demand for graduate support to experienced sales personnel and recommended that this matter should be kept under review. The Board agreed that a high proportion of graduate support cases is desirable.

Ms Hearty reported on two successful Funding for Growth launch events in Dublin and Belfast, which were followed by 12 regional Funding for Growth workshops and 20 advisory clinics. She informed the Board that feedback from satisfaction surveys conducted at the various Funding for Growth events was very positive.

Ms Hearty sought Board approval for the allocation of the Seedcorn prize fund of €280,000 which was previously approved by the Funding for Growth Steering Committee. The Board discussed and approved a total prize fund of €280,000 - €100,000 for the overall winner, €50,000 for the second category winner, €20,000 for the six regional winners (total €120,000) and €10,000 for special award winner.

The Chairman thanked Ms Hearty for her report.

Governance and Financial Matters

Mr Lord presented the Governance and Financial Matters Report. He welcomed the new Board members and advised that he would be issuing new members with a copy of the Code of Conduct, Statement of Interest form, HMRC documentation in relation to the payment of remuneration and the Body's travel and subsistence and hospitality policies. He asked Board members who have not already done so to return their Statement of Interest form or declaration for 2016 to the Finance Manager.

Mr Lord advised that planning has commenced for the 2015 Audit in collaboration with the NIAO with the Audit Certificate due to be signed off by the deadline at the end of June. The draft Audit Strategy will be presented to the Audit and Risk Assurance Committee at the next meeting in February. Mr Lord gave an update on the Body's financial outturn to 31st December 2015. He outlined how movements in exchange rates had impacted on both revenue and expenditure. Mr Norton brought to the Board's attention the Body's maximum future commitments detailed in the Governance and Financial Matters Report.

The Board noted the Governance and Financial Matters Report and the Chairman thanked Mr Lord for his update.

Communications and Marketing Performance Report

Mr Lord presented the 2015 Communications Performance Review. He acknowledged the contribution made by Mr Hayden to the Communications Sub Committee. Mr Lord gave an overview of the work of the Communications team in 2015. He advised that the Communications strategy was developed to support the 2014 to 2016 Corporate Plan. Mr Lord gave an overview of the results achieved through communications activity in 2015 and that all 2015 targets were met and in some instances exceeded. This was against a backdrop of reduced communications budget. Mr Lord commended the work of the Communications team on the 2015 performance. He advised that targets for 2016 will be agreed at the next Committee meeting to be held on 23rd February. The Board discussed the performance report and considered whether aspects of communications activities are operating to full effect. Aspects included on-line presence, geographical spread of activities and alignment of communications activities with programmes.

The Board noted the 2015 Performance Review and the Chairman thanked Mr Lord for his report.

Tenders and Variations to Letters of Offer/Appointment

The Board approved the request to go to competitive tender for a media monitoring and evaluation service provider for a three year period.

Consultation – InterTradeIreland’s Research Agenda 2016 – 2018

Dr Eoin Magennis, Policy Research Manager joined the Board meeting for this agenda item. Mr Gough introduced the draft consultation document on InterTradeIreland’s Research Agenda for 2016 to 2018. He advised that the Board’s view was being sought as part of a wider consultation process involving external stakeholders (policy makers and researchers) and internally with InterTradeIreland staff. Mr Gough outlined the benefits to InterTradeIreland from the research agenda:

- Strategic policy alignment with two Governments;
- Involvement of policy makers in all island research, ensuring their awareness of cross border business and economic policy issues;
- Identifying new opportunities for cross border trade and business development;
- Ensuring that all of InterTradeIreland’s interventions are supported by a strong and unique evidence base and
- Ensuring that InterTradeIreland has credibility as a ‘voice of authority’ on all island business issues.

Mr Gough reported on the outputs of the 2015 research agenda:

- Mapping the potential for all island sectoral ecosystems
- Analysis of the key characteristics of innovative SMEs
- Business Angels market on the island of Ireland
- SMEs, credit constraints and growth: A cross border study
- OECD Regions and Innovation: Collaboration across Borders
- Access to Finance for growth for SMEs on the island of Ireland
- Analysis of key features of exporting SMEs on the island of Ireland
- Quarterly Business Monitors
- Simple Guide to Cross Border Business

He advised that the research programme delivers real impact for InterTradeIreland and is undertaken by a small team. Mr Gough informed the Board that the research agenda for 2016 to 2018 continues the emphasis in the previous agenda on the twin pillars of Trade and Innovation as the key drivers of business growth and job creation. The proposed research agenda will provide new information and knowledge to develop and facilitate the capabilities of SMEs to connect on a cross border basis to resources and markets in order to enhance their trading and innovation practises. Mr Gough advised that the quarterly Business Monitor as well as keeping us on the pulse of issues facing SMEs across the island and helping us to develop our supports accordingly has also improved the efficiency of our research work.

Dr Magennis outlined initial research ideas for the 2016 to 2018 agenda including:

- New contract for the InterTradeIreland Business Monitor
- New editions of the Simple Guide to Cross Border Business

- Cross border trade and enterprise level data: An all island study
- How do SMEs engage with the innovation ecosystem for cross border business advantage?
- Action plan to develop the potential all island sectoral ecosystems opportunities
- Analysis of cross border service trade
- What types of finance are businesses using and how is this changing?

The Board discussed the proposed research agenda and agreed its important contribution to the work of InterTradeIreland. The Board highlighted the value of the Simple Guide to Cross Border Business to SMEs on the island and suggested the potential to distribute all new reports using the latest technology. The Board agreed on the importance of the quarterly Business Monitor which can be used to inform other new research projects and provide an evidence base to allow InterTradeIreland to speak authoritatively in the media. It was suggested that the potential opportunities to focus on cross-border business and economic research in postgraduate theses should be explored, perhaps through prizes. The use of performance data from InterTradeIreland programmes in future research was recommended.

The Board endorsed the proposed 2016 to 2018 research agenda and thanked Mr Gough and Dr Magennis for their presentation.

Interreg V Update

Mr Gough gave an update on the Interreg V programme. He advised that the deadline for the submission of the 2nd stage Business Plan was 3rd February and a decision will be made by the Interreg V Steering Committee by June 2016. Mr Gough commended the work of the cross directorate team for their efforts in the completion of the Business Plan.

The Chairman thanked Mr Gough for his update.

Business Plan Budget Variance and Milestone Exception Report

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

160.8 AOB

The Board approved the 2016 Business Plan taking into account the proposed funding arrangements.

.....Authorised by:

Mr Martin Cronin
 Chairman, InterTradeIreland
 23rd February 2016