

Minutes of the 179th Meeting of the Board of InterTradeIreland, the Trade and Business Development Body.

Tuesday 28th November 2017 – InterTradeIreland (12.00pm – 14.15 pm)

Present:

Board Members:

Mr Ken Nelson	Chairman
Mr Micheál Briody	
Mr Timothy Cairns	
Mr Terry Crossan	
Ms Rosemary Delaney	
Mr Paul Greenfield	
Mr Patrick Joy	
Prof Terri Scott	

In Attendance:

Executive:

Mr Aidan Gough	Designated Officer
Ms Margaret Hearty	Director of Programmes and Business Services
Ms Orla McGlennon	Board Secretary

179.1 Apologies

Apologies were received from Mr Paul O’Sullivan, Ms Ann Rudden, Mr James Spratt and Mr Laurence Lord,

179.2 Opening Remarks

The Chairman thanked Prof Scott and Ms Delaney for their valuable contributions as Board and Sub-Committee members for the past five years and advised that their terms of office as Board members are due to expire in December 2017.

179.3 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.

No other conflicts were declared.

179.4 Authorisation of the 24th October 2017 Board Minutes

The minutes of the 24th October 2017 Board meeting were agreed as a true record of the meeting, approved by the Board and authorised by the Chairman.

179.5 Matters Arising

The Designated Officer informed the Board that staff continue to track the increase in numbers applying for the Brexit Start to Plan vouchers following the Brexit Belfast conference and an update would be provided later in the meeting. He reported that the Board's appreciation had been passed on to staff involved in this very successful event. A summary of InterTradeIreland's key messages had been sent to Board members for use in any stakeholder engagement meetings. Mr Gough thanked Board members for their comments on the stakeholder engagement paper. He advised that the Executive were reviewing the process for conducting economic appraisals and evaluations to ensure a timely approach for appropriate approvals to be in place prior to the commencement of new programmes.

The Chairman thanked Mr Gough for his updates.

179.6 Chairman's Business

The Chairman thanked Mr Joy for his participation in the recent Seedcorn Investor Readiness competition and awards ceremony which recently took place in Dublin. The Chairman and Board asked that their appreciation be passed on to all staff involved in the extremely successful event.

The Chairman reported that he and the senior leadership team had a productive meeting with senior officials from the Department for the Economy.

The Chairman advised of the forthcoming Brexit conference to be held in Croke Park, Dublin on 5th December to which all Board members were invited. Any Board member requiring accommodation on 4th December was asked to contact the Board Secretary.

178.7 Designated Officer Report

Mr Gough informed the Board that the senior leadership team continue to meet weekly to discuss issues relating to budgets, staffing, projects and stakeholder engagement. Actions are being put in place to ensure that the senior management team is more involved in the decision making process.

Mr Gough reported that the profile of the Body is currently very high with our response to Brexit, both analytically and in the provision of advice and support being very well received. As a result, we are seeing a considerable increase in speaking invitations which provide us with a good opportunity to highlight our full range of activities and supports. Prof Scott reported that InterTradeIreland's role in supporting companies to prepare for Brexit has been widely recognised. She recommended that the Body continue to engage with all relevant agencies to ensure that companies are signposted to our work in this area.

Stakeholder Engagement

Mr Gough reported on progress on the stakeholder engagement process including the recent meeting with senior officials from the Department for the Economy, meetings with the Director of Strategy in Invest Northern Ireland, and with representatives of the Joint Business Council. He also reported on a Team Ireland event in Dublin, organised jointly by the Department of Business Enterprise and Innovation and the Department of Foreign Affairs to explore the potential for a more connected policy message which provided significant opportunities to engage with key stakeholders including the CEO of Enterprise Ireland. Following on from this, InterTradeIreland has been asked to host a meeting with Fergal Mythen, the Head of Ireland, UK and the Americas Division with Department of Foreign Affairs in December. Meetings have also been arranged with political representatives and these will likely take place in the new year.

The Board discussed the stakeholder engagement and thanked Mr Gough and Ms Hearty for their work in this area.

179.8 Board Sub Committee Reports

Communications Sub-Committee Report

Ms Delaney gave a verbal update from the Communications Sub-Committee meeting held prior to the Board meeting. She reported on the productive meeting which primarily covered discussion on the new website tender, the need for digital integration, performance update for last quarter, resources, milestones and targets for 2018. Ms Delaney informed the Board that the website tender is with Central Procurement Directorate. The new website will give better analytical insight and improved visuals through the use of video content and better interaction. The platform will also be developed to enable additional features to be introduced. An invitation to sit on the tender assessment panel will be issued to Board members of the Communications Sub-Committee. A content migration plan is being developed in order to expedite delivery of the new web platform. There was agreement to liaise with the InterTradeIreland Datakraft

Manager to ensure that the system is integrated with the new web platform and training should be organised on Datakraft for staff.

Communications priorities for 2018 will include a content creation plan (April to December) which will see new video content developed on a monthly basis. An allied advertising campaign will be launched to showcase the new site and new digital tools.

Ms Delaney reported that communications targets for 2018 were discussed and agreed. The Communications team intend to establish a base line of new social media metrics other than followers so that we have a more meaningful engagement and understanding of our visitors across platforms. Ms Delaney informed the Board that the goals for 2018 remain three-fold - to continue to disseminate information and create new content; to increase demand for programmes and highlight other services; and to drive increased engagement across a new, more digitised platform.

The Board noted the Communications Sub-Committee update and the Chairman thanked Ms Delaney.

Innovation Sub Committee Report

Prof Scott reported back from the Innovation Sub Committee meeting held on 31st October 2017. She informed the Board that eleven new Fusion applications and two previously deferred applications were considered. Nine projects were approved, three projects were deferred for additional information and one project was rejected. Prof Scott reported that there was a good spread of projects across both jurisdictions, academic institutes and sectors. At the Innovation Sub-Committee meeting, held prior to the Board meeting, one project was considered. The meeting was attended by herself and Mr Morrow, the Fusion Manager. Prof Scott stressed the importance of succession planning for Board Sub Committee members given that today was her last Board meeting as her term of office expires in December. She highlighted the importance of cross border trade and wished the Board all the best for the future. She asked that her thanks be passed on to Mr Morrow, Fusion Manager and thanked Ms Hearty for all her work in the Innovation Sub Committee.

The Chairman advised that the Board Sub-Committee membership and their terms of references would be reviewed at a future Board meeting.

The Board noted the Innovation Sub-Committee report and the Chairman thanked Prof Scott.

Trade Sub Committee Report

Mr Joy reported back from the Trade Sub Committee meeting held on 31st October 2017. He advised that the Committee considered fifteen Acumen applications. Nine projects were approved, two were deferred for further information, one project was transferred to the Elevate programme and three projects were rejected on the grounds of displacement and/or ineligibility. Mr Joy reported that to date this year, ninety-one projects had been approved compared to one

hundred and twenty-five the previous year. Another Trade Sub-Committee meeting is due to be held in December to consider more Acumen applications.

The Board noted the Trade Sub-Committee report and the Chairman thanked Mr Joy for his update.

Continuation of the Elevate Programme

Ms Janet Toal, Acting Trade Manager and Ms Anne-Marie McAteer, Elevate Project Manager, joined the Board meeting for this agenda item.

Ms Hearty provided a brief background to the Elevate programme which is aimed at assisting micro-enterprises to become export ready. Ms McAteer informed the Board that an economic appraisal has recently been carried out for the Elevate programme. She advised that InterTradeIreland has three trade programmes: Trade Accelerator Voucher, Elevate and Acumen. Elevate is a sales development programme aimed directly at the micro-enterprise sector to provide them with the capability to develop a structured approach to exporting on a cross border basis. Financial support of up to £5,000 (100%) is provided to:

- Develop a Strategic Sales and Marketing Plan;
- Provide Market Research;
- Develop Sales Leads and Negotiations; and
- Produce an Export Readiness Assessment.

Ms McAteer reported that since the programme began in 2011 over 420 companies have received Elevate support. Both the Acumen and Elevate programmes are fully managed in-house by the Trade Team and supported by the Communications Team for the promotion of the programme. Lead generation activities were piloted under the current phase and this has resulted in a steady flow of applications to both Trade Accelerator Vouchers and Elevate. It is proposed to engage the services of a lead generation company for the next phase of the programme. Ms McAteer advised that an independent mid-term evaluation of the programme reported net additional sales of c£1.74m for a sample of 40 participant companies monitored. This represents an average of net additional sales of £43,500 per company. The evaluation concluded that 72% of the companies participating in the programme were first time exporters. The survey also reported that 20 new jobs had been created and 13 jobs retained as a result of participating in the Elevate programme. 95% of participant companies were either very satisfied or satisfied with all aspects of the administration and management of the programme.

Ms McAteer presented a case study of one participant company and she detailed the very positive outputs and outcomes that resulted from their participation on the Elevate programme.

Ms Toal presented the key recommendations for the next phase of the programme from the independent evaluation, including:

- Use of the Trade Accelerator Scheme as a pre-cursor to Elevate participation as export readiness support;

- Programme to help mitigate any potential impact of Brexit and support participant companies with their export development;
- Synergies which exist between Elevate and Acumen to be utilised – escalator of support to develop export sales;
- Full review of programme administration has been undertaken and processes streamlined to enable enhanced data capture; and
- Continuous and ongoing review of Sales Advisors database to meet the needs of future applicants to the programme.

Ms Toal outlined the preferred option, identified in the economic appraisal, including projected outputs:

- To achieve a minimum of 65 completed, Elevate projects per annum;
- To support 35 Trade Accelerator Vouchers/ Export Readiness Assessments with a view to supplying a pipeline of potential applicants to the Acumen programme;
- The number of companies reporting returns and achieving export sales to increase from 72% to 80%;
- 75% of participant companies to achieve new export sales in the cross border market; and
- To achieve a minimum average of c£43,500 per Elevate project in net additional sales, 2 years after project completion.

Ms Toal also highlighted the non-quantitative benefits including increased confidence and potential for new approaches to sales and marketing for those programme participants.

The Board discussed the continuation of the Elevate programme and thanked Ms McAteer and Ms Toal for their excellent presentation. The need to review the database of Sales Advisors to ensure that skills are updated was highlighted. Ms Toal advised that the database is reviewed quarterly to ensure that consultants have the necessary skills/experience to deliver the Elevate programme. All relevant agencies actively provide referrals to the Elevate programme and recognise the significance of this initiative for micro-enterprises.

The Board approved the continuation of the Elevate programme for a three-year period.

The Chairman thanked Ms McAteer and Ms Toal for their work in this area.

Operations Directorate Progress and Activity Report

Ms Hearty presented the Operations Directorate Progress and Activity Report. She informed the Board that the final quarter of 2017 is an extremely busy period in terms of programme and outreach activity. The Executive are also focussed on the achievement of annual targets for programmes and budgets. A recent review of budgets, indicated that we are on track to utilise all of the 2017 budget allocation.

Ms Hearty reported that the demand for Brexit vouchers, particularly from companies in Northern Ireland, has significantly increased following the Belfast Brexit event. It is anticipated that this will be mirrored in Ireland following the Dublin Brexit event. She advised that the pipeline for all programmes remains strong. As a result, two additional assessment

panel meetings will be held in December to consider applications to the Fusion and Acumen programmes.

Ms Hearty informed the Board that the annual Venture Capital conference will be held in the Crowne Plaza Hotel, Belfast on 7th March 2018. To date, four sponsors have been secured.

The Public Tendering team hosted a planning meeting of the All Island Public Procurement Steering Group to agree a plan for 2018. Ms Hearty outlined the priorities for 2018 including a focus on updating our research on the all island procurement market and more focussed supplier engagement and training. The tendering team will partner with Enterprise Ireland and Invest N.I. on supplier engagement activities and both agencies will continue to signpost clients to the InterTradeIreland Go2Tender programme.

Ms Hearty advised that following the last Inter-Agency CEO meeting, it was agreed that an Inter-Agency group be established to improve communication and co-operation between the three agencies. Mr Alan Morrow, Fusion Manager has been nominated by the senior leadership team to represent InterTradeIreland on this group. A terms of reference for the group is being developed. The objective is to build on and enhance existing levels of co-operation, be the first point of contact where there are any operational issues and to facilitate the sharing of knowledge and information on new initiatives.

The Board noted the Operations Directorate Report and the Chairman thanked Ms Hearty for her update.

Governance and Financial Matters

Ms Hearty presented the Governance and Financial Matters report. She informed the Board that an audit planning meeting has been scheduled with the N.I. Audit Office for 7th December. It is anticipated that the draft year end accounts will be presented to the Audit and Risk Assurance Committee at its meeting in February, to facilitate the commencement of audit fieldwork in March.

The new internal auditors, completed the first audit from the agreed internal audit strategy at the end of October. This focussed on the areas of IT Security, Business Continuity Planning and Disaster Recovery. Ms Hearty advised a satisfactory assurance rating had been awarded. She reported that at its meeting in August, the Board requested that the Executive review the Risk Register. This review has been completed and a high level corporate risk register has been produced which will be supported by a more detailed register. These registers will be presented to the Audit and Risk Assurance Committee at its February 2018 meeting and will then be presented to the Board.

Following the departure of Mr Thomas Hunter McGowan as CEO, the bank mandates require amendment to remove Mr Hunter McGowan as an authorised signatory. The Board passed a resolution to remove him as an authorised signatory.

Ms Hearty reported that all staff had recently attended training on General Data Protection Regulations.

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 sought permission to go to competitive tender for the procurement of Lead Generation Services for InterTradeIreland Trade supports. She advised that the main objective is to promote the trade solutions to businesses in a cohesive manner, resulting in a more focussed approach to the recruitment of companies on to the various programmes. This approach was effectively piloted in the current Managing Agent contract. It is now proposed to expand the service from being restricted to one programme and to be broadened to identify appropriate leads and applications for all of InterTradeIreland trade programmes including: Acumen, Elevate, Trade Accelerator Vouchers and the Brexit Advisory Service.

The Board discussed the proposal and agreed on the merits of a coordinated approach for the trade programmes. It was recommended that the terms of reference and letter of appointment should include a clause regarding the monitoring and review of the service on a quarterly basis. The Board approved the request to go to competitive tender for the procurement of Lead Generation Services for InterTradeIreland Trade supports for a two-year period.

Ms Hearty informed the Board that in 2010, after a competitive tendering process, InterTradeIreland awarded DataKraft the contract to provide a bespoke integrated Management Information System. The database has three core components - customer relationship management, programme management and performance measurement. The Body's use of DataKraft has developed significantly since 2010 and it plays a vital role in the administration of all programmes and provision of information to meet the various reporting requirements of the Body. Ms Hearty reported that DataKraft have now recreated their database software on web technology and the current software will no longer be supported from 1st April 2018. There is a clear business rationale and a need to upgrade and migrate data to the new software. The Board discussed the merits of DataKraft, the disruptive and cost effects of seeking a replacement system and how the upgrade will provide an opportunity to use the system more effectively. The Board approved the proposal to upgrade the Management Information System.

Ms Hearty reported that, following Board approval for Phase 5 of the Acumen programme, the economic appraisal was submitted to the DfE for approval on 7th August 2017. The Executive has continued to work with the Department from this date, however, the process has experienced delays which are outside the Body's control. As a result, InterTradeIreland will not have the necessary Departmental approvals (including DfE Casework Committee and Ministerial approvals) in place in order to tender for the next phase of delivery prior to 31st December 2017.

Ms Hearty advised that the current contract with the incumbent Managing Agent expires on 31st December 2017. Following advice from CPD and an assessment of risk by the Executive, Board approval is sought to extend the current contract for services with the incumbent Managing Agent for a period of no longer than six months to 30th June 2018. This extension will minimize disruption to the programme and ensure continued delivery, avoiding any delays for prospective participant companies.

It is envisaged that subject to Departmental approvals, InterTradeIreland will issue, through CPD, a tender for services for the next phase of delivery in early 2018 with a view to appointment by March/April 2018.

Ms Hearty reported that should the appointment of the next Managing Agent occur prior to 30th June 2018, this extension would end with immediate effect.

The extension from 1st January – 30th June 2018 will deliver the following:

- Up to 70 Approvals
- Up to 30 starts

Ms Hearty advised that the costs for this activity are based on the rates as per the current contract. Board approval will facilitate the continued delivery of the programme whilst accommodating the tendering process for the next phase.

The Board discussed the proposal and approved the extension of the current Acumen Managing Agent contract for the period 1st January to 30th June 2018.

Communications Update

Ms Hearty presented the Communications Update. She reported on the very successful Brexit event held in Belfast at the end of October and the significant media coverage that resulted. The Business Monitor Q3 results also generated major coverage in the press and media.

Ms Hearty informed the Board that InterTradeIreland's communications function is now part of the Department of Business, Enterprise and Innovation's communications co-ordination activities. The new initiative from the Department comes as part of the Irish government's creation of a Strategic Communications Unit, aimed at integrating and enhancing communications across all government activities. As part of this, the Executive feed all major communications activities into the Department's matrix planner and participate in monthly phone calls which include all DBEI agencies, such as Enterprise Ireland and the IDA, as well as the press office and the Minister's special advisor.

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

Brexit Update

Mr Gough updated the Board on recent Brexit activities including the significant spike in the number of applications for the Brexit Start to Plan Vouchers. To date over 365 have registered to attend the Dublin Brexit event on 5th December in partnership with the Local Enterprise Agencies. Mr Pat Breen, TD has confirmed that he will close the event. Mr Gough advised that members of the Senior Management team have been asked to review the impact of Brexit

on their area of work and a report on the impact of Brexit on the Body will be brought to the Board in the new year. The Executive is also considering recruiting an additional person with digital communication skills to the Brexit team. The possibility of securing a graduate from the Erasmus programme is also being explored.

The Chairman thanked Mr Gough for his update.

Research Agenda 2018 – 2019

Ms Kerry Curran, Policy Research Manager joined the Board meeting for this and the following agenda items.

Ms Curran gave a presentation on the approach to the InterTradeIreland 2018 – 2019 Research Agenda and referred to the consultative document included in the Board papers. She outlined the outputs and outcomes from the 2016 -2017 research strategy including:

- 20+ Research Outputs;
- New Interreg Programme;
- New Cluster Network for Cancer Research;
- Intelligence for Informed Policy Making;
- Enhanced Collaborations and Engagement;
- InterTradeIreland Authority and
- Increased Communications Range

Ms Curran advised that the InterTradeIreland mission is to support businesses through our innovation and trade initiatives. The approach to the 2018 – 2019 research strategy involves:

- Building on Success;
- Supporting Intelligence Led decision making and
- Transformative Policy Research

The proposed research framework aims to support the overall InterTradeIreland target to support job creation and economic growth. Research will be conducted under the two pillars of Trade and Innovation and will be encompassed by two research themes: Capability and Connectivity. Ms Curran reported that the new framework will provide new information and knowledge to support SMEs and policy makers as they plan for the trade and innovation challenges which may arise as a result of Brexit. She outlined the proposed delivery approach which will include the involvement of research steering groups, in-house research and data mining, third party research by external bodies and collaboration with other research organisations.

Ms Curran detailed the research proposals for 2018 -2019 including:

- Brexit: Shock Absorbency Capacity, a study of capacity to manage potential costs of the changing cross border relationship;
- Brexit: a study of Cross Border Trade in Services;

- Brexit: Mapping exercise to identify potential impact of drop in trade post Brexit on skills Vs vacancy divergence;
- All-Island Public Procurement, a competitiveness review;
- Open innovation networks on the island of Ireland – a review, test and evaluation;
- All Island Innovation Programme – an annual toolkit for SMEs;
- Firm investment trends and
- Brexit: Post Transition Support Requirements for SMEs

The Board were informed of the proposed timeline and budget for the research agenda. Mr Gough informed the Board that although no additional budget is being requested at this time, additional budget may be required in 2018.

The Board noted the consultation document on InterTradeIreland's Research agenda for 2018 – 2019 and endorsed the outlined research framework in advance of a stakeholder consultation exercise.

The Chairman thanked Ms Curran for her excellent presentation and her work in this area.

Q3 2017 Business Monitor Results

Mr Gough gave a brief update on the results of Q3 2017 Business Monitor. The significant coverage of the monitor results was highlighted.

The Board noted the Business Monitor results for Q3 2017 and the Chairman thanked Mr Gough for his update

Business Plan Commentary Report

The Board noted the Business Plan Commentary Report.

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 the third Co-Innovate claim has been submitted to SEUPB for payment. Workshops are progressing to schedule, after the late permission to start for the programme from SEUPB. The new workshop schedule for 2018 will increase the number of workshops planned in order to recruit all of the shortfall from the original business plan due to the late start. Mr Ryan reported on the Interreg showcase event held in the EU parliament, Brussels which was attended by Co-Innovate staff. The aim of the event was to raise awareness of the impact of EU funding and demonstrate how support is being delivered to businesses.

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

179.09 AOB

The Board discussed the forthcoming changes to data protection legislation and following discussion, agreed to receive all Board and Sub-Committee papers electronically in the new year.

The Chairman thanked Board members and the Executive for their input and wished everyone a very Happy Christmas and New Year.

.....Authorised by:

Mr Ken Nelson
Chairman, InterTradeIreland
27th February 2018