

Minutes of the 189th Meeting of the Board of InterTradeIreland, the Trade and Business Development Body.

Tuesday 27th November 2018 – InterTradeIreland (8.30 am – 10.10 am)

Present:

Board Members:

Mr Ken Nelson MBE	Chairman
Mr Micheál Briody	
Mr Timothy Cairns	
Mr Terry Crossan	
Mr Patrick Joy	
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
Mr Martin Agnew	Corporate Services Director
Ms Alayne Kinver	Assistant Director of Strategy and Policy
Mr Alan Morrow	Assistant Director of Programmes and Business Services
Ms Orla McGlennon	Board Secretary

189.1 Apologies

Apologies were received from Mr Paul O’Sullivan and Mr Paul Greenfield.

189.2 Opening Remarks

The Chairman welcomed all to the meeting. On behalf of the Board he expressed their condolences to Ms Hearty on the recent death of her mother.

189.3 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. Ms Ann Rudden declared a potential conflict of interest arising from her position as founder and MD of Áine Hand Made Chocolates 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.

189.4 Approval and Authorisation of the 30th October 2018 Board Minutes

The minutes of the 30th October 2018 Board meeting were agreed as a true record of the meeting and were approved by the Board and authorised by the Chairman.

189.5 Matters Arising

Mr Gough reported that the matter arising from the last Board meeting had been addressed.

189.6 Chairman's Business

The Chairman thanked Mr Joy for his involvement in the recent Seedcorn awards ceremony which took place in St Anne's Cathedral, Belfast. The Chairman and Board asked that their appreciation be passed on to all staff involved in the extremely successful event. He also advised that he had attended the N.I. Water Supplier Engagement event in the Dunadry Hotel, Templepatrick and is due to attend the Interreg Va monitoring committee meeting in Dundalk, following the Board meeting.

189.7 Designated Officer Report

Mr Gough informed the Board that having received the Investors in People accreditation, the Senior Leadership team has developed an action plan aimed at upgrading and aligning processes with our core values and performance targets. A half day staff session was held last week to update staff on new developments and activities. There was also discussion on behaviours that support our core values and recognition for staff achievements.

The Board were informed that a more structured approach to staff information sessions was being introduced and extended to include external presenters.

Mr Gough advised that the refurbishment of the library has been completed and an informal opening of the new facility will take place on Thursday 29th November and dedicated to the memory of our esteemed colleague, Mr Paddy Savage.

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

189.8 Stakeholder Engagement Strategy - Phase 2

Mr Gough reported on the next phase of engagement with key stakeholders including key decision makers, key influencers and partners. He advised of the generic, positive message that outlines the growth of cross border trade, its importance for small businesses and the Body's strong performance. A specific message for the various stakeholders is being developed. The next phase of engagement will focus on developing relationships with partners and potential partners. The benefits of working together and how cross border partnerships can deliver real value will be emphasised, as will the positive impact of additional resources, including the increased supply of our ongoing programmes, the development of new initiatives and the assistance to businesses through the Brexit Advisory Service. New opportunities for cross border partnerships to be delivered through the Financial Assistance Scheme will also form part of the message.

The Board discussed the next phase of stakeholder engagement and the extensive list of stakeholders identified by the Executive. The Chairman reported that there was an opportunity for input from Board members to the list. Mr Joy recommended the addition of the Irish Exporters Association. It was suggested that the Executive should track how the Body is perceived by stakeholders. It was agreed that the updated messaging document should be shared with Board members and staff to ensure a consistency of our message.

The Board welcomed and endorsed the next phase of the Stakeholder Engagement Strategy and the Chairman thanked Mr Gough for his update.

189.9 Board Sub Committee Reports

Audit and Risk Assurance Committee Report

Mr Crossan reported back from the Audit and Risk Assurance Committee meeting held on 30th October 2018. He advised that the 2017 audit had been certified in July 2018 with an unqualified audit report. The 2017/18 internal audit report had also received a 'satisfactory' assurance rating, which is the highest level of assurance. No major issues had been noted.

The Board noted the Audit and Risk Assurance Committee report and the Chairman thanked Mr Crossan for his update.

Innovation Sub Committee Report

Mr Morrow reported back from the Innovation Sub Committee meeting held on 30th October 2018. Fifteen new Fusion applications were considered and all were approved.

The Board noted the Innovation Sub Committee report and the Chairman thanked Mr Morrow for his update.

Trade Sub Committee Report

Mr Joy reported back from the Trade Sub Committee meeting held on 30th October 2018. He advised that the Committee considered fourteen new Acumen applications and all were approved. Five projects were from Northern Ireland and nine from Ireland. Mr Joy informed the Board that the committee would consider ten applications at the meeting following the Board meeting and also planned to meet again in December to consider more applications.

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

189.10 For Consideration, Discussion, Decision &/or Approval

Shock Absorption Capacity of Firms in Ireland and Northern Ireland Report

Ms Kerry Curran, Policy Research Manager joined the Board meeting for this agenda item and gave a presentation on the Shock Absorption Capacity of Firms in Ireland and Northern Ireland report.

She advised that the report considers productivity patterns and a risk matrix which assesses the extent to which firms would be vulnerable to external shocks such as Brexit. Ms Curran described the risk matrix of firms compiled on the basis of profit margins and sales growth performance. The matrix provides a ‘heat-map’ of firms, with those with lower risk absorption capacity shown to be at higher risk, and those with a higher absorbency capacity at lowest risk exposure to external shocks. Ms Curran focused in on the absorbency capacity of cross-border traders, with the research showing that for both importers and exporters across the border, similar patterns emerge. The research shows that Ireland has a higher proportion of goods firms in the lower risk groups, with the highest capacity to absorb shock, than Northern Irish goods firms. For services firms, the proportion of those in at risk groups is similar for Ireland and Northern Ireland. In addition, both Northern Ireland Goods and Services sales to Ireland have a higher proportion of at risk firms than sales to GB.

Overall the data suggests that Northern Ireland firms trading across the border with Ireland have comparatively low levels of risk absorption capacity. By way of example it was highlighted that 72.8% of imports by Northern Irish goods firms from Ireland are being undertaken by firms in lower absorptive capacity (at risk) groups. The research therefore reaffirms the findings of the previous research releases in this series which showed that small firms trading across the border were most at risk to changes in market access post Brexit.

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

Co-Innovate Update

Mr Neil Ryan, Co-Innovate Programme Director joined the Board meeting for this agenda item and gave a presentation on the Co-Innovate programme. He advised that Co-Innovate is a five-year programme supported by Interreg Va funding of €16.6m. The aim of the programme is to develop the innovation capabilities and increase the number of SMEs engaged in cross border research and innovation (R&I) in the eligible region with 1,408 companies benefiting. InterTradeIreland is the lead partner. Other partners include Scottish Enterprise, Highland and Islands Enterprise, Enterprise Northern Ireland, Local Enterprise Organisations and the East Border Region.

Mr Ryan provided the Board with details of the various strands of the programme.

Mr Ryan cited examples of potential pipeline projects for Strands 4 and 5. He reported on the current PR campaign and advised that case study videos are being developed.

The Board noted the Co-Innovate programme update and the Chairman thanked Mr Ryan for his overview of the programme and noted the complementarity with other InterTradeIreland programmes.

Operations Directorate Progress and Activity Report

Mr Morrow presented the Operations Directorate Progress and Activity report. He updated the Board on activities including the Brexit Advisory Service, Public Procurement, Trade, Innovation and Funding for Growth as detailed in the Operations Directorate Board papers.

Mr Morrow informed the Board that the Fusion Project Exemplars event will take place on Thursday 31st January 2019 at the Corick House Hotel, Clogher, Co Tyrone. Any Board members who would like to attend should advise the Board Secretary. The Board were also asked to note the date of the Venture Capital Conference which will take place in Croke Park on Thursday 7th March.

The Board noted the Operations Directorate Progress and Activity reports and the Chairman thanked Mr Morrow for his report.

Governance and Financial Matters

Mr Agnew presented the Governance and Financial Matters report. He advised that the 2017 Report to Those Charged with Governance had been considered by the Audit and Risk Assurance Committee and a copy of the report was included in the Board documentation.

The internal audit plan for 2018/19 was approved by the Audit and Risk Assurance Committee at its meeting in October.

Mr Agnew advised that expenditure to date is on track.

The Board were informed that the 2017 and 2018 Business Plans have yet to be approved and guidance remains outstanding for the 2018 and 2019 Plans. DfE has not yet agreed the 2019 funding, which will be allocated from its 2019/2020 financial budget. Mr Agnew reported that the Body has submitted a bid to the DfE December monitoring exercise and was awaiting a response.

The Board noted the Governance and Financial Matters report and the Report to Those Charged with Governance. The Chairman thanked Mr Agnew for his report.

Tenders and Variations to Letters of Offer/Appointment

The Board approved Mr Agnew's request to extend the current Go-2-Tender Phase 7 Managing Agent contract for a five-month period from 1st August to 31st December 2019.

The Board approved the request to amend a clause and contract milestones to the letter of appointment to the lead partner of the All Island Innovation Programme. Mr Agnew advised that the revisions will not result in any additional spend but will streamline the payment process and enhance cross border co-ordination between the University partners.

Communications Update

Mr Agnew advised of the widespread PR activities this month including the extensive coverage of the InterTradeIreland Q3 2018 Business Monitor. This coverage is also contributing to the wider awareness of our supports and services with the performance metrics for our brand awareness particularly high.

The Board were asked to note the upcoming InterTradeIreland events listed in the Communications Board paper.

The Board noted the Communications update and the Chairman thanked Mr Agnew for his report.

Brexit Update

Mr Gough gave a brief update on Brexit activities.

Business Plan Budget Variance and Milestone Exception Report

Ms Kinver presented the Business Plan Commentary Report. She reported that all other minor variances relate to timing issues and will be addressed in the coming months.

The Chairman thanked Ms Kinver for her report and the Board noted the Business Plan Budget Variance and Milestone Exception Report.

189.11 AOB

The Chairman thanked Board members, observers and the Executive for their input and wished everyone a very Happy Christmas and New Year. The Board were advised of the Body's 20th anniversary next year.

.....Authorised by:

Mr Ken Nelson
Chairman, InterTradeIreland
28th February 2019