

Minutes of the 200th Meeting of the Board of InterTradeIreland, the Trade and Business Development Body.

Tuesday 28th January 2020 – InterTradeIreland (08:30am – 10:20am)

Present:

Board Members:

Mr Ken Nelson MBE Chairman
Mr Micheál Briody
Mr Paul Greenfield
Ms Ann Rudden

Observers:

Ms Florence Bayliss
Ms Adrienne McGuinness

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 Operations
Ms Orla McGlennon Board Secretary

200.01 Apologies

Apologies have been received from Mr Timothy Cairns and Mr James Spratt.

200.02 Opening Remarks

The Chairman welcomed all to the meeting and noted that this was the Body's 200th Board meeting. He advised that given that the N.I. Executive has been restored and a new Irish Government would be in place soon, the nominated Board members' appointment could be ratified at the next plenary NSMC meeting and the outstanding Board appointments made in the coming months. He thanked Ms Bayliss and Ms McGuinness for their participation as observers in the past year.

200.03 Conflict of Interest

The Chairman asked members to declare any conflicts of interest relating to today's agenda. Mr Nelson 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 Briody also declared a potential conflict of interest arising from his position as CEO of Silver Hill Foods, which is involved with 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 Chocolates, which is a participant on the Co-Innovate programme.

No other conflicts were declared.

200.04 26th November 2019 Board Minutes and Board Decisions Approved by Written Procedure 11th December 2019

The minutes of the 26th November 2019 Board meeting were reviewed by the Board and they agreed they are a true record of the meeting and would be ratified at the next quorate Board meeting.

The Board also noted the December 11th 2019 Board decisions approved by written procedure and the Chairman thanked Board members for their participation in this process.

200.05 Matters Arising

Mr Gough advised that the matter arising had been addressed.

200.06 Chairman's Business

The Chairman reported on the very successful Seedcorn Awards ceremony held on 28th November 2019 and asked that the Board's appreciation be passed on to all staff members involved in the event. He advised that the evening presented the opportunity to network with senior officials in the sponsoring Departments who are very supportive of the work of the Body.

The Chairman informed the Board that the Venture Capital Conference would take place on Thursday 5th March in Belfast.

200.07 Designated Officer Report

Mr Gough advised that the latest performance statistics for cross border trade are very positive and show that in 2018, trade rose by 6% year on year to stand at a record high of €7.4bn/£6.5bn which is much higher than anticipated. Growth in services trade was 10.7% while growth in goods trade was 4.3% and

this trend is supported by the continuing demand for our own programmes, particularly the Acumen programme and the Body's collection of key performance monitoring data from companies who have participated on our programmes.

Mr Gough reported that the latest data on North/South partnership drawdowns from Horizon 2020 is €100.8m against an ambitious target of €175m. This total to date, exceeds the total North/South drawdown from FP7, (the previous EU research network programme) with a further 14 months still to be reported. Mr Gough advised that figures for the US/Ireland Partnership show that there are currently 55 projects funded to a total of over €101.5m with cybersecurity agreed as a new priority area.

The Board was updated on the work of the cross directorate Brexit team and the focus now on supply chain issues. Businesses are being encouraged to find out where every part of their product is sourced and take action as necessary. Mr Gough highlighted the need to pass on timely information to companies as negotiations develop and the potential impact in the area of data transfer.

Mr Gough advised that as the N.I. Executive has been restored and following the elections in Ireland, it is anticipated that Ms Bayliss and Ms McGuinness's Board appointments will be ratified at the next NSMC plenary meeting which is likely to take place in March 2020. Other nominees to the Board may not be ratified until a later date. Mr Gough reported that the Body's Business Plans and 2020 – 2022 Corporate Plan will be approved at the next NSMC Sectoral meeting.

The Board endorsed the Chairman's recommendation to invite the DBEI Secretary General, Dr Orlaigh Quinn and the DfE Acting Permanent Secretary, Michael Brennan to meet with the Board. The Chairman reported that he, Mr Gough and Ms Hearty are due to meet with the new Invest N.I. Chair and CEO tomorrow and he emphasised the importance of keeping communication channels with relevant organisations open.

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

200.08 Board Sub Committee Reports

Audit and Risk Assurance Committee Report

Mr Briody reported back from the Audit and Risk Assurance Committee meeting held on 26th November 2019 and his first meeting as Chair of the Committee. He welcomed Ms Bayliss as a new member of the Committee.

The Northern Ireland Audit Office representative had advised that arrangements for the 2019 year-end audit would be similar to previous years, with a target date for certification being 30th June 2020.

Mr Briody advised that at the meeting, the internal auditors had presented the reports from two recent audits. This comprised of a review of GDPR, with two low priority recommendations which the Data Protection Officer will be responsible for implementing. The second audit involved a follow-up of previous recommendations. Six of the seven recommendations had been completed and the remaining seven actions, four were dependant on the appointment of a new IT Manager.

Mr Briody reported that Brexit remains the highest ranked risk in the Risk Register, with a high probability/high impact residual score. The risk in respect of Leadership and Management had been escalated to high probability/medium impact due to now having an inquorate Board and the inability to appoint new Board members in the absence of the NSMC.

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

Innovation Sub Committee Report

Mr Morrow reported back from the Innovation Sub Committee meeting held on 26th November 2019. Four new FUSION applications (2 from N.I. and 2 from Ireland) were considered and all were approved.

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

Communications Sub Committee Report

Ms Rudden reported back from the Communications Sub Committee meeting held on 26th November 2019. It was Mr O’Sullivan’s last Sub Committee meeting given that his term of office expires in December and all members extended their thanks to Paul for his years of support and wished him well for the future. The Committee also welcomed Ms Natalie McGivern, the recently appointed Communications Deputy Manager, to her new role.

Communications highlights from 2019 were presented, including the Brexit campaign, brand refresh, new website, launch of new innovation podcast series and the growing social media presence. Ms Rudden advised that the Communications team was tasked with developing a corporate communications strategy that aligns with the new 2020 – 2022 Corporate Plan. The process will commence with a messaging session to be delivered by the Body’s advertising agency Krow in Q1 2020, followed by a digital insights report. Ms Rudden reported that the Board would be updated in March following the next Communications Sub Committee meeting on 25th February.

The Board noted the Communications Sub Committee report and the Chairman thanked Ms Rudden for her update.

Trade Sub Committee Report

Mr Greenfield reported back from the Trade Sub Committee meeting held on 26th November 2019. He advised that eleven new Acumen applications were assessed and ten were approved and one deferred and subsequently approved by written procedure. A previous deferral had been considered at the meeting and was rejected.

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

200.09 For Consideration, Discussion and Approval/Noting.

Operations Directorate Progress and Activity Report

Ms Hearty presented the Operations Directorate Progress and Activity Report. She advised that her report aims to update the Board on the high level of activity and achievements during 2019. She reported that all programmes achieved or exceeded targets. Ms Hearty gave credit to the work of the Brexit team supported by the rest of the organisation who had managed activities and adapted to the ongoing uncertainty around Brexit. She reported that since the scheme commenced and up to 31st December 2019, 1343 Brexit vouchers had been processed by the team. In 2020 vouchers will be tailored to business needs as the detail of the trade deal evolves and more digital content and online diagnostics will be produced to reach a larger number of viewers in a very cost effective manner.

2020 will bring changes to the Body, with the new Corporate plan's focus on sectors and priority areas, the implementation of which will be reliant on market and sectoral intelligence. The need to continually adapt activities and services will be required when the impact of a new trade deal with the EU becomes known. The reintroduction of the Innova collaborative R&D programme will be an exciting new focus for the Operations team. This will focus on new sectors and identifying projects that will have significant impact at an industry level.

Ms Hearty reported that in 2019, 111 Acumen projects commenced, the highest annual level of project starts since the programme commenced. New supplementary supports were introduced in 2019 which has proved beneficial to Acumen recipients to assist them in developing the job specification and help with the recruitment process. This has led to reducing the risk of approved projects not starting and has fast tracked project start dates. Ms Hearty cited examples of companies who had reported significant business development values as a result of participating on Acumen and Elevate programmes.

Ms Hearty outlined the many activities and events organised by the Public Tendering team in 2019. She advised that 552 participants were supported through participation on the 34 workshops delivered throughout the year. A further 1,276 participants benefited by attendance at Supplier Engagement/Meet the Buyer events. Following Board approval of the economic appraisal and the next phase of the Go-2-Tender programme, the team are currently going to competitive tender for a delivery agent with the aim of developing a range of complementary public tendering initiatives, in line with the new Corporate Plan and its industrial focus.

Ms Hearty gave an update on the Fusion programme during 2019. She advised the Fusion Exemplar Awards took place on 23rd January 2020 which were chosen on criteria including level of innovation, benefits achieved and overall contribution to Fusion. The speaker at the event was a previous Fusion Exemplar and she outlined how the Fusion programme had boosted her in her career and how the outcomes of the project had benefited and transformed the business.

Limerick based Pinpoint Innovations t/a Tracworx Ltd were named the overall winner of the 2019 Seedcorn Investor Readiness Competition at an awards ceremony in Dublin. Ms Hearty advised that the Venture Capital conference takes place in Belfast on Thursday 5th March 2020 and all Board members were cordially invited to attend.

The Board discussed the very high level of programme activity. The additional Brexit supports from the LEOs and Enterprise Ireland were highlighted and the need to ensure that our Brexit activities do not duplicate the work of other organisations. Ms Hearty reported that the Brexit teams focus would be in assisting cross border traders in the area of supply chains and the team is working with the Communications team to refine the Body's Brexit messaging.

Mr Gough informed the Board of the importance of the Body being consulted and involved in government and agency's strategies and policy statements. As a cross border Body, we are in a position to act as facilitators and connectors to create added value and leverage additional benefits. Potential duplication with the work of other agencies was highlighted including local councils in N.I who are utilising a cocktail of funding including ERDF and INI funding to deliver procurement programmes that are very similar to our Go-2-Tender programme. The Board discussed this matter and agreed that the issue should be highlighted at meetings with senior officials and Ministers in N.I.

The Board noted the Operations Directorate Progress and Activity Reports and the Chairman asked that the Board's thanks be passed to all involved in the very successful delivery of our suite of programmes.

Co-Innovate Programme Update

Mr Neil Ryan joined the Board meeting for this agenda item and provided an update on the progress made on the various strands of the Co-Innovate Programme. He advised that the Strand 2 audit unit cost issue has now been resolved. The Enterprise Agencies have re-commenced carrying out Business Status Reviews and Innovation Audits and the delay should not impact on the achievement of targets for this Strand. Mr Ryan reported that the case for the 9-month extension was submitted at the end of November and SEUPB have recently come back with queries which the team have responded to.

Mr Ryan advised that SEUPB has given approval for the procurement of a leads generation service and tenders are currently being assessed with an appointment anticipated in February. Mr Ryan reported that new promotional material was being developed. Mr Briody suggested that a simple message should be conveyed to businesses. A meeting with Dr Bernie McGahon, Industry Research and Development Group (IRDG) was suggested to promote Strand 4 to their members.

Mr Ryan advised that SEUPB are currently carrying out a stakeholder engagement process to develop the Peace Plus Programme (Peace and Interreg within the same programme) for the 2021-2027 period. He reported that the area of Innovation would be included in the new programme. Mr Gough advised that the process would consider strategic areas and look at the strategic context for the next programme. The Chairman suggested that this matter should be discussed at a future Board meeting. The Board asked that the Co-Innovate report focus on the progress of Strand 4 going forward.

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

Governance and Financial Matters

Mr Agnew presented the Governance and Financial Matters report. He advised that the 2018 Accounts and Annual Report were laid in both jurisdictions at the end of November 2019. The NI Audit Office have advised that the proposed audit strategy for 2019 will be presented to the Audit and Risk Assurance Committee (ARAC) meeting in February.

The internal auditors are currently undertaking an audit of the Body's payroll policies and procedures which will be presented at the next ARAC meeting.

Mr Agnew advised that all Board members are required to complete a Statement of Interests form on an annual basis. Board members were asked to submit their forms to the Finance Manager or the Board Secretary by 25th February.

With restoration of the NI Executive and pending the outcome of the Irish general election, Mr Agnew advised that the Body hoped to have a number of governance issues addressed when the NSMC meetings commence. These include the ratification of existing Board nominees, the nomination and appointment of new Board members, and approval of prior and current year Business and Corporate Plans. These matters will hopefully be addressed at the respective Plenary and Sectoral NSMC meetings, hopefully commencing in March. The recruitment process for a CEO to fill the vacant position can also commence under the guidance of the sponsor departments with final approval of an appointment from NSMC.

Mr Agnew gave an overview of the Body's financial out-turn

The Board noted the Governance and Financial Matters report. The Chairman thanked Mr Agnew for his report.

Tenders and Variations to Letters of Offer/Appointment

Mr Agnew advised that there were no requests to go to tender or variations to letters of appointment.

Communications Update

Mr Agnew provided an update on recent Communications activity. He advised that the report highlights 2019 activity in relation to digital metrics including website activity and social media management. Visitors to our website in 2019 were c168,000, an increase of 37% on the previous year. Almost 60% of visitors came from Ireland with 25% from the UK. Mr Agnew reported that there were more than 260,000 sessions with an average session duration of 2 minutes. This illustrates that the bounce rate is well below industry average and that users are finding the information on the site relevant.

Mr Agnew explained that how we attract visitors to our website varies – direct traffic, organic search engine optimisation, social media, display, referrals, paid search and email market. In terms of social media, Facebook is still the top driver of visits. All digital metrics including social media followers, engagement rates and conversions increased by almost 20% in 2019.

The Board discussed the report and agreed on the importance of aligning the Communications strategy to the Corporate Plan. They acknowledged the significant results and asked that the Board's thanks be passed on to the Communications team.

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

Business Plan Budget Variance and Milestone Exception Report

Ms Kinver presented the Business Plan Budget Variance and Milestone Exception Report and provided explanations for issues highlighted in the Board report which mainly are as a result of timing issues.

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

200.10 AOB

The Chairman advised that on behalf of InterTradeIreland, he would be attending the Chartered Accountants Ireland annual dinner in Dublin and the Chartered Accountants Ulster Society annual dinner in Belfast in the coming weeks.

.....Authorised by
Mr Ken Nelson, Chairman, InterTradeIreland

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