

INVEST NORTHERN IRELAND BOARD MINUTES 2025

January 30, 2025

**TWO HUNDRED AND TWENTY FIRST MEETING OF THE INVEST NORTHERN
IRELAND BOARD, 30 JANUARY 2025 MEETING HELD AT LAGAN VALLEY
ISLAND, LISBURN**

Present:

Invest NI Board

John Healy (Chair)	Melanie Dawson
Colin Coffey	Dominic Darby
Kieran Kennedy	Ciaran Mulgrew
Marie-Therese McGivern	Scott Ritchie
Julie-Ann O’Hare	Patrick O’Gorman

In Attendance: Kieran Donoghue, Alan McKeown, Brian Dolaghan, Paula Logue, Peter Harbinson, Steve Harper.

Board Secretary: Trevor Connolly

Minute Taker: Wendy Savage

The Board meeting commenced at 10:30.

BOARD STANDING ITEMS

APOLOGIES

Apologies received from Michael McQuillan, Dawn McLaughlin and Dónal Durkan.

The Chair opened the meeting by acknowledging that this was Steve Harper’s last Board meeting before taking up his new post as CEO of SIB. The Chair thanked Steve for his immense contribution to Invest NI and wished him every success in his new role. Steve thanked the Board (and previous Boards) for their support over his time at Invest NI and stated that working for Invest NI had been one of the proudest moments of his career and paid tribute to all of the staff.

The Chair also congratulated Alan McKeown on his success in the recent Temporary Promotion competition for Executive Director Business Growth; but also acknowledged that this would be short term as Alan is leaving Invest NI in March to take up a post as CEO of Woven Housing Association.

The Chair also advised members that the February Board meeting will be a single agenda item meeting focusing on Finance and Budget.

i. DECLARATION OF CONFLICTS OF INTEREST

The Chair reminded members of the need to keep their Registers of Interest up to date. It was confirmed that there were no conflicts with any of today's Agenda items.

ii. RAISING CONCERNS

The Chair reminded Board members of their obligations under the Raising Concerns policy and procedures.

1. MINUTES

The Minutes of the November 2024 Board meeting were agreed and will be published online.

2. ACTIONS & UPDATES

Trevor Connolly updated the meeting on the Actions list and the following was noted:

Action 123: Digital Strategy: Progress Update included on January Agenda. Digital Strategy to come to Board in March for approval (originally February; but deferred due to change to February Board agenda referenced above).

A Board member asked that the Secretariat look at the narrative on the Board Actions Log to ensure progress to date was fully recorded.

Action 125: Review of Programmes: Included on January Agenda.

Action 133: Utilisation of HQ Building: Included on January Agenda.

Action 135: SA32 Skills – Lack of Action: Decision taken in December that no formal action was required.

Action 136: Report on Social Media engagement: to be included on the agenda for the April Board meeting.

3. CASEWORK FOR APPROVAL

The Casework report for November/December 2024 was noted.

The BFC Chair provided some background and context in respect of the project under consideration for approval. The Chair noted that given the context of the project under discussion, whilst not conflicted, he would not take part in the voting process. Following some further discussion, the Board was content to approve the project.

The Chair asked that given the Board's interest in the project, the CEO bring back an update on progress in 9 to 12 months. This was noted by the Board Secretariat and will be added to the Board Forward Planner.

It was noted that the Board had commented on the quality of the papers presented for this project and that there had been a marked improvement on any papers now being presented to the Board as part of the approval process.

4. IMPLEMENTATION OF INDEPENDENT REVIEW ACTION PLAN

James McEvoy (Project Management Office) joined the meeting at 10:51.

The CEO updated the Board, advising that he is temporarily taking on the role of Senior Responsible Owner (SRO) and highlighted positive progress on the project.

Twenty-four actions have been implemented to date, with three completed in December, two in January, and two more scheduled for completion in March 2025.

The CEO had a positive meeting with Paul Grocott (DfE and Chair of the IOG), where they agreed to move IOG meetings to twice yearly to allow the organisation time to absorb the implementation changes.

Regarding Strategic Action 31 (Transfer of Tourism functions to Tourism NI), the CEO indicated that the transfer could be delayed until further clarity on the budget is received. The Chair inquired about the budget amount, and the CEO confirmed it was modest.

A Board member noted that DfE had confirmed progress had been made on the Strategic Actions related to Policy and Skills and stated that DfE was comfortable with that progress. The Board member expressed concerns about this but acknowledged that DfE, as owners of the Action Plan, must take responsibility for implementing these actions.

The Chair requested clarification on progress regarding Strategic Action 27 on Risk Appetite. An ELT member confirmed that the Risk Appetite statement is currently undergoing an independent assessment, as agreed in the Action Plan. In addition, training sessions later in the year are being developed. The Chair asked if the pace was satisfactory, and the ELT member confirmed it was progressing well.

The Chair suggested that for the Strategic Actions on the Green Economy, Rachel Sankannawar should provide an update on progress at the March Board meeting.

Action: Rachel to be invited to the March Board meeting to provide an update on progress against the Green Economy Strategic Actions.

A Board member asked for clarity on any recruitment related to any of the Strategic Actions given the uncertainty on budgets. The CEO confirmed that where necessary, recruitment would be paused until certainty on the budget was known. The CEO also confirmed that the PMO function would stay in place for now.

James McEvoy left the meeting at 11:03.

5. COMMITTEE CHAIR REPORTING

The Committee Chair reports were taken as read. It was noted that there was no update from the BFC as no meeting had been held in the relevant time period.

The Chair confirmed that Wendy Savage would be taking over support for BFC, RPC and SRC moving forward.

The Chair also highlighted that succession planning for new committee Chairs would be a focus, with conversations planned with Board members, aiming for a transition in summer 2025.

A Board member inquired about the use of AI for Committee and Board meetings. It was confirmed that the Board would be early adopters of AI processes within Invest NI, with a team currently exploring governance for implementation.

OPERATIONAL ITEMS

6. CEO REPORT TO BOARD

The CEO gave a brief update to supplement the CEO Report within the Board papers. The main points are summarised below:

- Recent announcements by both Alchemy Technologies and EY about taking office space at Ebrington Plaza was to be welcomed.
- The increase in NI contributions is still causing concern with employers and is causing capacity constraints.
- Companies are confirming that their order books are in a healthy state.
- There has been good progress against our investment target, however value is less than desired.

- There is a good regional spread across projects approved and WIP is rebuilding momentum.
- City & Growth Deals - approvals for the Agri Tech Centre are progressing, which is a very positive development.
- People & Culture – the HR team is incredibly busy with regards to recruitment. They've also completed the first phase assessment from the organisational Cultural Assessment and focus groups are ongoing.

The Executive Director of People and Culture also added that key areas of focus flowing from the Assessment are Learning and Development, Communications and Performance Review. Also referenced was the commitment to review the Values for the organisation but not in the absence of Board and ELT input.

The Chair stated that there is a need to focus on communications in this period of transition, and the ask from the Board is that there is a real focus in the short to medium term on making sure that employees are all kept updated.

A Board member asked about the plans for the setting up of the ExCo Committees referenced at the Staff Conference. The CEO stated that they are trying to introduce and stand-up Committees as and when required, and SRC is likely to be the first one to be stood up. Others will progress over the next six months.

Colin Coffey left the meeting at 11:20.

A Board member stated that they felt this had been the most robust CEO Report to date and referenced one of the performance slides in particular. The Board member queried whether some of this information could be shared externally with stakeholders on a self-serve dashboard. The Chair stated that later slides are falling back into activity based rather than outcome based. Another Board member stated that the marriage of data and communications is important and referenced work ongoing internally to gather post code data. The Board member stated that this is exciting work, as it shows the impact of our investments on people's lives and how salaries flow out to where employees live rather than based on where they work. The CEO stated that this work was helping to challenge false narratives. Another Board member stated that postcode data for employees should be made a condition for every Letter of Offer issued by Invest NI.

The CEO thanked members for their feedback and advised he would pass this back to the relevant teams.

7. FINANCE REPORT TO BOARD

Brian Dolaghan gave a brief update to supplement the Finance Report to the Board which is summarised below:

2024/25

- Resource - Central resource pressure was previously £3.3m, with £3m having been submitted as a Monitoring Round bid to DfE. Working together, a solution was achieved to meet the £3m requirement, resulting in a forecast breakeven position for year end. Finance will seek to manage this breakeven position to stay within the acceptable budgetary tolerances.
- Capital - Centrally held pressure has been reduced from £1.4m to £0.7m. There is the potential for some material additional receipts in year which, if realised would effectively create an underspend position. The current position is being monitored closely as we approach year end. This risk has been outlined to DfE.
- Overall, subject to the potential impact of a late capital receipt, the organisation is positioned to deliver its 24/25 budget out-turn within agreed tolerance.

2025/26 and Beyond

- No budget allocation, from the Department, has yet been confirmed but early indications are that budgets are likely to be very challenging for 25/26
- Following recent draft NI Executive budget allocations, DfE has asked Invest NI to plan, and consider the implications of, a flat resource allocation (i.e. no bids being met) and a capital allocation equal to forecast legally committed capital.
- DfE has been made aware that such an allocation, should it materialise, will have a significant impact on Invest NI's ability to deliver the stretching targets included in the recently announced Business Strategy

Alternative Funding

- Work is also ongoing to explore alternative sources of funding and how these may help to address both Invest NI and DfE budgetary pressures. Whilst discussions are at an early stage, it is expected that capital budget may be available from the UK Shared Prosperity Fund for 2025/26.

Brian concluded his report by highlighting that, if budget allocations are confirmed in line with planning assumptions, a detailed review of funding choices will have to be made in order to re-align operational activity for 25/26.

The Chair emphasised that these matters should be considered as part of the planning for the February Board meeting, which will involve informed discussions and decision-making. The Chair also stressed the importance of including resource planning in these discussions and requested a meeting be organised to prepare adequately for the session in February.

SPECIFIC PAPERS

8. DIGITALISATION STRATEGY – PROGRESS REPORT

Tanya Otterson and Steve Chambers joined the meeting at 12:01. Alan McKeown introduced the item, noting that the report had been updated based on Board feedback, thanking members for their input in shaping its direction.

A discussion followed, with key points summarised below:

- The direction of travel is now on track and has significantly progressed since its initial presentation, but the Strategy requires further detail, including timelines, measures, and outcomes.
- The Board questioned how to effectively use the vast amount of data gathered.
- Progress on mapping the Customer Journey was acknowledged.
- Comparison with the Business Strategy revealed the need for more work on deliverables, success metrics, and timelines, and it was suggested that external support may be needed to refine this.
- Concern was raised that the presentation gave the impression that the Digitalisation Strategy had already been approved, though it had not yet received formal approval from the Board.
- While the team had taken Board feedback into account, further work was required. The Chair confirmed that the update should now be developed into a comprehensive Digitalisation Strategy. Alan responded that the current update ensured the correct direction, and the team would refine this into a full Strategy for the next iteration. The CEO agreed that the Digitalisation Strategy was still a work in progress, but improvements in communication to the Board were needed. The Chair reiterated that timelines, measures, and outcomes must be incorporated. The CEO was tasked with determining the best approach to finalise the Strategy.

Alan confirmed that the team would incorporate today's feedback into a workable Digitalisation Strategy and collaborate with SRC. The Strategy would be presented at the March Board meeting, as the February agenda had already been finalised.

Steve and Tanya left the meeting at 12:20.

9. RESOURCES & BUDGET PAPER

The Executive Director, People & Culture, introduced this item by stating that in writing this paper they were looking at the resourcing needed to support the achievement of the Business Strategy. Any additional resourcing requirements are either linked to the Business Strategy or are business critical posts. Currently, there is a lack of alignment as there is no budget clarity, which means there will be some difficult decisions to be made. The Chair asked if we know how many people are allocated to each of our programmes? What are the implications for resourcing? The CEO reminded Board members that the paper presented predates the recent meeting with The Minister on priorities moving forward. The Chair stated that we should not shy away from difficult conversations. A Board member stated that if a capacity and capability mapping exercise had not yet been completed by teams this should be done urgently in their opinion. The Chair stated that the Board did not need to know the operational detail. The Board member advised that they needed to be reassured that evidence-based decision-making was being undertaken. The SRC Chair referenced her Report to Board which stated that the vast majority of HR time has been devoted to prioritised recruitment, with other issues not being dealt with and that HR needed support. The Chair stated that he was not being critical of the HR function or its leadership, he was very supportive. He stated that the paper was very informative, but the initial question asked by the Board had been around redeployment of resources and what budget this would free up. The CEO also reminded Board members that the People & Culture team is also working through Strategic Actions from the Lyons Review in parallel. A Board member asked how much data it is appropriate for the Board to ask for to be supportive of decisions to be taken. The Chair stated that Board members could ask for whatever information they required or needed, but the Board ultimately will not make operational decisions. The CEO concluded by stating that the purpose of the paper had been to try to bring elements on finance and resourcing together to show joined up decision making.

10. UTILISATION OF HQ BUILDING

The Executive Director, People & Culture, introduced a discussion regarding the paper included in the Board pack. Key areas of discussion included:

- The original question raised by the Board about how to better utilise the building and make it more available to stakeholders / customers.
- Opportunities to leverage the building to promote Northern Ireland.

- Constraints surrounding public sector procurement.
- Cost implications.
- Whether the project should be prioritised at this time.

A Board member noted that modern companies view facility considerations as key to attracting and retaining talent and advancing net-zero initiatives. They suggested exploring the option of subletting part of the building to offset costs, acknowledging that the process to upgrade the building from start to contract signing can be lengthy. They recommended obtaining costings for necessary consultancy services, project management, and architectural support initially to inform any decision to proceed.

Further discussion ensued about the potential income from subletting and whether this project should be an immediate priority. The Executive Director, People & Culture, emphasised the importance of focusing on the achievement of the Business Strategy by maximising the potential of current staff and retaining talent. The CEO confirmed interest in running the numbers to assess potential costs. The Chair agreed with this approach and requested an update be brought back to the Board at an appropriate time.

11. BER ACTION PLAN: 2024 END YEAR PROGRESS REPORT

The BER Action Plan was approved by Board members with no queries. Trevor Connolly also advised Board members that the 2025 BER results, and analysis would be circulated in the next number of weeks.

12. INVEST NI DUBAI OFFICE

Board approval was given to remove one Director who is leaving the organisation and the appointment of one new Director in accordance with the Dubai Creative Clusters Private Companies Regulations 2016, and its amendments and subject to the provisions of the Company's Articles of Association.

13. ANY OTHER BUSINESS

The Chair acknowledged that this was Trevor Connolly's final meeting as Board Secretary, as his secondment with Invest NI was coming to an end. He expressed gratitude for Trevor's significant contributions and thanked him for the support he had provided to both the Chair and Board members during a period of significant change and transition within Invest NI.

On behalf of the Chair of ARAC, the Chair asked members to consider any areas that they believed may present potential weaknesses, risks, or emerging issues that could be considered for inclusion in the Internal Audit Plan for 2025/26. plan. The Chair asked that any feedback or nil returns should be sent directly to Dawn.

Brian Dolaghan confirmed that all Retrospective Approvals issues previously discussed by the Board have now been approved by DoF.

14. DATE OF THE NEXT BOARD MEETING

The next Board meeting will commence at 14:00 on Thursday 27 February 2025 and will be held at Invest NI Headquarters, Belfast.

The Board meeting ended at 13:00.

Wendy Savage, February 2025

Chair