



Appointment to the Board of Strategic Banking Corporation of Ireland (SBCI)

Closing Date: Midnight on Friday, 6th February 2015

**State Boards Division
Public Appointments Service
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The Public Appointments Service (PAS), established under statute in 2004, provides an independent shared service in recruitment, assessment and selection to organisations across the Civil and Public Services. On 30 September 2014, the Government decided that PAS should also be given responsibility for putting in place an open, accessible, rigorous and transparent system to support Ministers in making appointments to State Boards. Our dedicated website, www.stateboards.ie, is the channel through which PAS advertises vacancies on State Boards. It is also the means through which accomplished, experienced and qualified people, including people who might not previously have been identified as available for appointment, can then apply to be considered for particular vacancies.

1. **Entity:** Strategic Banking Corporation of Ireland (SBCI)
2. **Location:** The SBCI's offices are in at the Treasury Building, Grand Canal Street, Dublin. Board meetings will be primarily held in Dublin.
3. **Number of Vacancies: 4**
4. **Remuneration: €15,750**
5. **Time Requirements:** circa 2-3 days per month including attendance at Board meetings and sub-committees of the Board.
6. **Closing Date:** Midnight on 6th February 2015

1. Introduction

The establishment of the Strategic Banking Corporation of Ireland (SBCI) follows directly from the announcement by the Taoiseach in November 2013 that he had held discussions with Chancellor Merkel on finding ways to reinforce Ireland's economic recovery. The agreement that led to the creation of the SBCI will ensure that Irish business will have access to long-term patient funding at all times in the future.

During 2014, the Department of Finance and the National Pension Reserve Fund (NPRF) worked swiftly to create the necessary mechanisms to create the SBCI which will deliver better funding to SMEs. Building on the initial offer, the project team added funding from both the European Investment Bank and Ireland's own National Pension Reserve Fund (now the Ireland Strategic Investment Fund (ISIF) to the scope of the project.

The Government approved this approach and legislation enabling the establishment of the SBCI was passed by the Oireachtas in July 2014 - [Strategic Banking Corporation of Ireland Act 2014](#)

In the intervening period the team was busy giving practical effect to the legislative work and has finalised agreements with the funders. The SBCI was incorporated as a company on 12 September 2014 and the first meeting of its interim Board took place on Friday 19 September 2014.

The Memorandum and Articles of Association of the SBCI states that the Minister for Finance must, in so far as is reasonably practicable, ensure an equitable balance between men and women in the membership of the board.

Further details on the Memorandum and Articles of Association can be found at the following locations:

Memo: [Memorandum of Association of the Strategic Banking Corporation of Ireland](#)

Articles: [Articles of Association of the Strategic Banking Corporation of Ireland](#)

2. Strategic Banking Corporation of Ireland (SBCI)

The SBCI is a commercial State company established as a Companies Act company under the Strategic Banking Corporation of Ireland Act 2014.

The SBCI is Ireland's new strategic SME promotional financial institution that is creating a new competitive environment for lending to SMEs in Ireland.

The SBCI will become a key part of Ireland's financial architecture that will provide finance over the long-term to the SME lending market so that business in Ireland will have improved access to funds during all stages of the economic cycle. By creating a new vision for funding SMEs, the long term potential of the sector to support economic growth and job creation will be actively supported.

The SBCI will play an important role in Ireland's recovery by improving funding mechanisms for the real economy, including the availability of long term finance for Irish SMEs and will be a key part of Ireland's financial infrastructure. The SBCI will lend strategically within the economy and will in particular focus on credit needs of SMEs in the first instance. Other areas of the economy whose credit needs are not fully served may also be helped in time by the SBCI.

The core purpose of the SBCI is to enhance the supply of credit to SMEs by using existing channels and also encouraging new entrants to the market. It will achieve this by using its capital to lend to SMEs via other financial institutions called 'on-lenders'. These partner lenders, which can be banks or other organisations that have capital and the ability to assess SMEs' loan proposals, will then lend the money on to SMEs.

Providing funds through frontline financial institutions is a successful and effective business model used to fund SMEs throughout Europe. The objective is to promote a high level of competition and options within the SME market.

The key advantage of the SBCI is its more flexible range of, and, lower cost of funding which will be passed onto SMEs via its on-lending partners. Terms and conditions of lending will still apply and borrowers will still have to show the capacity to repay any borrowings.

The SBCI can be funded from a range of sources, initially sourced from bilateral arrangements rather than market funding but transitioning to other forms of funding at a later date. In that regard the Act provides for lending to the SBCI from the NPRF Commission, an amount of equity being provided to the SBCI by the Minister and for the extension of guarantees by the Minister covering certain borrowings of the SBCI. The SBCI is currently financed from a mix of funding from KfW (Germany's promotional bank), the European Investment Bank and the Ireland Strategic Investment Fund.

The functions of the SBCI, as laid out by Section 8 of the SBCI Act 2014 are

- (a) to provide, and promote the provision of, additional credit in a prudent manner to enterprises or other persons in the State, in particular SMEs,
- (b) to design or cause to be designed credit facilities which consistently address the financial needs of borrowers, in particular SMEs, be they related to growth, investment or operational needs,
- (c) to promote competition in markets for the provision of credit to borrowers, in particular SMEs,
- (d) to encourage an increase in the number of providers of finance to borrowers in the State,
- (e) to encourage the entry to the market of new providers of credit,
- (f) to contribute to the diversity of the types of finance available in the State,
- (g) to source international funding to facilitate lending,
- (h) to provide finance to projects which promote the economic development of the

State,

- (i) to facilitate the operation of diverse credit markets, and
 - (j) to carry out any functions that are ancillary, consequential or supplemental to the matters mentioned in *paragraphs (a) to (i)*.
- (2) So far as possible, the SBCI shall, consistent with the achievement of its functions under *subsection (1)*, seek to obtain a positive financial return for the State.

The SBCI is managed by its own staff, seconded from the National Treasury Management Agency (NTMA), who will report to the SBCI's dedicated Board of Directors. The NTMA also provides business support services. These support services are legal, IT, HR, Communication and Administration.

The SBCI has announced that it will start distributing its funds through Bank of Ireland, AIB initially and expects to add non bank on-lending relationships such as Bibby financial Services over the next year. The SBCI is currently working with a number of new providers of SME finance as well as others in the traditional banking sector with the aim of broadening the range of lending partners and in turn increasing competition.

Find out more about SBCI: www.sbc.gov.ie

3. Role of the Board

Section 9 of the SBCI Act 2014 set out the overarching requirements in regards to the Board. The Board will take all significant strategic decisions and retain full and effective control of the Corporation while delegating day to day responsibility for leadership and control, within defined authority limits, to senior management as appropriate.

Links to the Memorandum and Articles of Association can be found Above.

Section 17 of the Articles of Association lists the powers and duties of the Directors.

4. Person Specification

The intention is that the SBCI Board will, collectively, have senior level experience in financing and/or providing support to the SME sector, senior level financial services experience as well as expertise in areas such as governance, legal and finance.

Expressions of interest are now invited from applicants who consider they possess the skills and experience necessary to join the Board of SBCI and contribute to the development of SBCI and its subsidiaries. Specifically, the SBCI is looking for four directors with extensive experience of at least one area listed below;

1. Senior level management in the banking and finance sector with an SME focus, ideally with previous executive level operations and/or lending background in the banking sector;
2. Senior level management of non-bank providers of finance;
3. Policy experience and wide-ranging comprehension of challenges facing the SME sector
4. Managing and setting up an SME

Directors must also demonstrate that they have expertise and experience at a senior level in one or more of the following:

- investment;
- treasury management;
- business management;
- finance;
- economics or economic development;
- law;
- accounting and auditing;
- actuarial practice;
- risk management;
- insurance;
- project finance;
- corporate finance;

In addition to this experience, applicants should also possess:

1. Sound business judgment
2. Excellent communication skills
3. Proven ability to critically analyse information and constructively challenge
4. A strong sense of ethics and integrity
5. The ability to work effectively and cohesively as a member of a team
6. An understanding of good governance practices

5. Term of Appointment

These appointments will be for a period of up to 5 years. In order to assist in ensuring the continuity of the Board, it is anticipated that terms of 3, 4 or 5 years may be offered to successful applicants.

6. How to Apply

Applicants are requested to review the self-assessment questionnaire which can be found on www.stateboards.ie, please note that you are not required to submit the questionnaire as part of the application process.

Having considered the overall suitability for membership of a State Board applicants should establish if they consider that they meet the specific appointment criteria set out in Section 4 above.

If you wish to be considered for appointment, you should submit an application via the following link www.stateboards.ie together with a detailed Curriculum Vitae and cover letter. In order to submit your application, please:

- i. Go to www.stateboards.ie.
- ii. On the bar at the top of the page click on "Available Appointments".
- iii. This brings you to a page with all our advertised vacancies, select whichever position would like to apply for (you are welcome to apply for more than one if you wish).
- iv. On the relevant page please click on the button at the bottom of the page saying "apply for this position".
- v. This will bring you to a page on www.publicjobs.ie and, if you already have a publicjobs.ie account, will prompt you for your username and password. If you do not have an account you will be asked to set one up.
- vi. Once you input your details you will be brought to a page where there is a prompt in the middle of the page which says "apply here" click on the link to the online application form beside it.
- vii. A form will appear on your screen, some of the text boxes will be populated with information from your publicjobs.ie profile (Name, address etc). You will need to complete the rest of the fields and enter your name and the date at the bottom of the form. Click on continue.
- viii. You will then be brought to a screen where you should upload your CV and Cover Letter. These are required documents and your application cannot be processed without them. Once you have selected these and uploaded them, please click on "submit" at the bottom of the page.
- ix. You will receive an e-mail confirmation (to the address listed in your publicjobs.ie profile) to confirm that your application has been submitted.

You must confirm that you do not have any conflicts of interest or legal impediment which would be likely to interfere with your ability to play a full part on the Board. You must also confirm that you can make yourself available to attend meetings and to carry out the duties of a Board member.

It should be noted that in line with the 'One Person One Salary' principle, no public servant will be entitled to receive remuneration in the form of board fees, save for situations that are statutorily provided for e.g. Worker Directors.

7. Appointments Process

A Board Selection Panel (the “Panel”) will be convened by PAS to consider and assess the expressions of interest received by the PAS via www.stateboards.ie. The Panel shall:

- review and discuss the expressions of interest received against specific appointment criteria for the role to be agreed by the panel;
- Assess potential candidates further once they meet the specified appointment criteria by undertaking any or all of the following steps:
 - Consideration of the written applications; and/or
 - Meeting/conference call; and/or
 - Referee checks;
 - Any other selection method deemed appropriate.
- Arrive at a shortlist of suitable candidates to be sent forward for consideration by the Minister.

If you have any questions regarding the application process please email info@stateboards.ie.

8. Data Protection Acts 1988 & 2003

For further information on Data Protection please follow the [link](#)