



# CORPORATE PLAN

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2006/7 – 2008/9



# SIB CORPORATE PLAN

## 2006/7 – 2008/09

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Status: FINAL  
Date: 14 September 2006

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## **Introduction**

This Corporate Plan defines the medium term objectives of the Strategic Investment Board Limited (SIB) and documents the corporate strategy it will follow to achieve them. The Corporate Plan is supported by the annual Business Plan which sets out in detail the actions SIB will take in 2006-7 to ensure delivery of these objectives from the resources allocated. It is, however, worth highlighting that the SIB has only been in existence for three years and it is clear that the company will develop further in the period covered by this plan.

## **Background**

### ***Strategic Investment Board Limited***

In May 2002, the First and Deputy First Ministers of the Northern Ireland Assembly announced the Reinvestment and Reform Initiative (RRI) – a series of measures to address the shortfall in public-service infrastructure investment that had built up over the course of the previous thirty years.

RRI proposed a new model for the delivery of infrastructure investment. Ministers wished to see a coordinated approach that would deliver their priorities by accelerating the efficient delivery of the much-needed new schools, hospitals, roads and other infrastructure required for the 21<sup>st</sup> century.

During the suspension of the Assembly, the Northern Ireland Office Ministers have continued to drive this initiative forward, and, in April 2003, *The Strategic Investment and Regeneration of Sites (Northern Ireland) Order 2003* established the Strategic Investment Board Limited.

SIB is a company limited by guarantee, owned by the Office of the First Minister and Deputy First Minister (OFMDFM), financed from within the departmental expenditure limit, with a board reporting directly to the First Minister and the Deputy First Minister. During suspension, SIB reports to the NIO Minister responsible for the Economic Policy Unit and the Department of Finance and Personnel (DFP), currently David Hanson, MP.

### ***Roles & Responsibilities***

SIB's role is to act as a bridge between the public and private sectors. It works with NI government departments and agencies to help them achieve faster delivery of major public infrastructure projects. In parallel, SIB works with the private sector to inform the market of planned projects, generate confidence and stimulate market interest, thus driving competitive tension and resulting in improved value for the taxpayer.

SIB's key responsibilities are threefold. First, it is responsible for producing the Investment Strategy for Northern Ireland; a ten-year plan for the delivery of public infrastructure that covers all areas of government including education, health, and transport. The ISNI process comprises the delivery of the infrastructure required to meet the government's priorities, as determined by Ministers. Secondly, SIB helps the public sector deliver large infrastructure projects and programmes of investment. Working alongside the relevant government department(s), the SIB seeks to accelerate delivery timetables whilst at the same time achieving better value for the taxpayer. In

practice, this means the deployment of staff with extensive experience in the funding and implementation of major investment projects into key project management and advisory roles. Thirdly, the SIB seeks to foster reform and help build delivery capability by encouraging the development of specialist skills and the use of innovative approaches not usually found in the public sector.

## Corporate Plan Format

The format of the Corporate Plan is as follows:

**Section 1** sets out the context within which SIB has constructed its Corporate Plan. The first element is a review of the company's work in 2005/6. Next, it documents the relevant government priorities and targets as set out in the 'Priorities and Budget 2006-8' and their associated Public Service Agreement targets. Finally, this section also identifies the factors SIB needs to take into account when determining how it can best meet its main aims and the needs of its customers; the factors which may significantly affect the execution of the plan and the policies within which it will operate.

**Section 2** presents the SIB's medium-term corporate strategy. It defines the Company's vision, its strategic priorities, its objectives and desired outcomes. The way in which these objectives and outcomes will be achieved is described in the form of a high-level road map. This section also documents the company's expected expenditure and income.

## **Section 1: The Business Planning Context**

### ***Review of 2005/6***

The company has made progress on a number of fronts in the last year. Key successes achieved in partnership with the NI departments include:

- the launch of the Investment Strategy for Northern Ireland (ISNI). This was announced by the Secretary of State in December 2005. ISNI sets out, for the first time, a sustainable programme of infrastructure investment for the next ten years and offers a platform for the stimulation of a dynamic regional economy;
- the publication of a review of ‘Construction Skills’ undertaken in conjunction with OFMDFM and now commencing a review of public sector skills;
- the achievement of financial closure for the £104m DBFO Roads Package 1 in February 2006. Demonstrating finest pricing, it involved the first bond financing of a public asset in Northern Ireland;
- the receipt of tenders for the £250m DBFO Roads package 2 in March 2006. This programme will improve the vital corridor between Belfast and Dublin and also improve the links with the South West;
- the award of the e HR contract to a preferred bidder. This programme will reform and transform the personnel functions within the 11 government departments and the Northern Ireland Office;
- the conclusion of the consultation on the Education Initiative and New Delivery Arrangements for Schools in NI which will deliver some £3 billion of infrastructure investment in the educational estate;
- the opening of the Invest NI building, the first significant HQ accommodation Public Private Partnership (PPP) project in NI, which was completed just 18 months from OJEU;
- the award of a contract, in December 2005, for managed services for imaging equipment at Royal Victoria hospital, the largest project of its kind in Europe;
- progress on the development of a multi-use sports stadium at the Maze/ Long Kesh site;
- the formal launch of the Workplace 2010 programme; and
- the provision of assistance to DHSSPS in the production of strategic asset management plans valued at over £3bn.

### ***Priorities and Budget 2006-8***

The ‘*Priorities and Budget 2006-8*’, which sets out priorities and plans for public expenditure for the next two years, states that

*“Infrastructure is central to Government’s plans for delivering the Economic Vision, which provides a framework to improve productivity, and hence underpin sustained improvements in economic performance, by concentrating on innovation, skills, enterprise and infrastructure. (...) A modern infrastructure is a major driver in economic competitiveness (e.g. lowering*

*transaction costs) but it also has the capacity to reduce current cost pressures in sectors such as health service delivery.”*

## **Public Service Agreement Targets**

Public Service Agreements (PSAs) set out departmental objectives and are fundamental to the Government’s approach to delivering high quality public services. The PSAs define targets which cascade down through OFMDFM to SIB. The ‘*Priorities and Budget 2006-8*’ defines OFMDFM’s Public Service Agreement (PSA) target related to the priority outcome of improved infrastructure as:

*“To underpin improved public services by continuing to deliver the increase in public sector infrastructure investment, as set out in the long-term investment strategy for Northern Ireland.*

The planned outcome for the citizen of achieving this target will be better public services through improved development of infrastructure.

## **Assumptions, Constraints and Dependencies**

The successful delivery of this plan is subject to a set of constraints and dependencies, and is predicated on assumptions, some of which have yet to be verified. SIB will monitor these factors and adapt its plans in the light of change.

The Company works within financial limits set by Ministers and these determine the overall level of support the company can provide Departments both in terms of enabling consultancy (cash limited) and support from SIB advisers (headcount limited). Another consideration will be the capability of the public and private sectors to manage this challenging programme of work. SIB has commissioned two research projects to gauge the delivery capabilities of the two sectors. The private sector delivery capability survey (commissioned jointly with OFMDFM) suggests it will be able to meet demand<sup>1</sup>. The survey of public sector capabilities will report in August 2006. SIB relies on the Departments to provide capable staff in sufficient numbers to deliver the investment programme. The lack of such staff in Programme and Project teams, or their presence in insufficient numbers, would be a significant constraint.

The plan assumes that SIB will continue to recruit and retain high calibre staff with the required knowledge and experience. A recruitment campaign in 2005 was largely successful and the Company does not expect that a lack of suitable Strategic Advisers will materially constrain its operations.

Our education strategy will be heavily influenced by the Bain Review, which is expected to report by the end of 2006.

The affordability of the projects proposed in the ISNI may be affected by decisions taken by the government in the course of the 2007 Comprehensive Spending Review.

The development of Wider Markets and asset sales will depend on the continued support of DFP.

SIB hopes to see increased rigour around the project planning and approval process by way of a standardised approval process (including the use of Gateway Reviews) conducted by the relevant Department and SIB.

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<sup>1</sup> Providing some ISNI investments are re-profiled and there is partnering with external companies.



## ***Policy Considerations***

SIB delivers its objectives in ways that accord with a set of policies defined by its Board and agreed with its shareholder. These policies are documented and published on the Company's web site. The policies mean that:

- SIB is committed to acting within both the letter and the spirit of the 'Section 75' equality legislation. Over the course of this plan it will meet all its obligations under these regulations;
- SIB pursues sustainable policies and its advisers seek to ensure that all supported projects pay due regard to environmental issues;
- SIB acts in support of the government's social agenda and acts in ways that support initiatives such as Targeting Social Need (TSN). The company will work to ensure that local businesses are able to take advantage of the business opportunities flowing out of the infrastructure investment programme;
- SIB is aware of regional disparities in terms of infrastructure development within Northern Ireland and is committed to reducing these; and
- SIB will observe the spirit as well as the letter of the Freedom of Information Act. It will continue to publish as much information as possible about its activities, whilst respecting the need for commercial confidentiality.
- SIB will comply fully with the government's pay remit policy for the public sector as set out in relevant HM Treasury Guidance.

## Section 2: Corporate Strategy

### **SIB Vision**

The vision of the SIB is that Northern Ireland will build and sustain a public infrastructure fit for the needs of all its people.

### **Strategic Priorities**

SIB's strategic priorities are derived from the targets set by Government and from consideration of the issues the company was established to address. The over-arching issue for the SIB is how it can help the government address the question posed in 'Priorities and Budget 2006-8':

*"How can investment in infrastructure best secure economic, social and environmental development and the sustained delivery of public services?"*

The priority issues SIB will address are:

- the statutory requirement for SIB to produce and maintain a long-term, affordable, deliverable and sustainable strategic infrastructure plan for Northern Ireland that supports the delivery of the Government's policy priorities;
- the need to accelerate the delivery of major infrastructure projects;
- the need to obtain best value for infrastructure investment;
- the need to improve the infrastructure delivery capabilities of government Departments in Northern Ireland; and
- the need to further develop the company capable of achieving its objectives in ways that deliver best value.

### **SIB Medium Term Objectives, Outcomes and Targets**

The **medium-term objectives** derived from the company's strategic objectives are:

- To embed and develop the Investment Strategy for NI (ISNI);
- To deliver supported projects/ programmes in accordance with the sectoral plans; seeking effective ways to accelerate the timetable without compromising value for money;
- To foster and promote reform both in the delivery of major public sector infrastructure and as a pre-requisite for such investment;
- To develop the organisation and the individuals within the organisation;
- To work with the relevant bodies and departments to ensure that our infrastructure plans are aligned, where appropriate, with those in the Republic of Ireland and in accordance with North South agreements.

The **outcomes** of achieving these objectives will be that, by the end of the period covered by this plan:

- The ISNI will continue to provide a comprehensive plan for future infrastructure investment. The ISNI reflects the government's investment

priorities and supports medium-term planning by the supply sector. The process for developing the ISNI is documented, repeatable and understood by stakeholders. Ministers and the senior civil service have the information necessary to manage the investment programme effectively;

- SIB has helped Departments deliver larger and better project procurements (in terms of faster delivery, lower risk and best value) than would otherwise have been possible;
- SIB has developed the market for public sector infrastructure in ways that improve competition and foster the development of the local economy;
- SIB has helped Departments develop their infrastructure programme and project delivery capability so that more projects and programmes can be delivered faster, at reduced risk and demonstrating best value;
- SIB has developed as an organisation so that it meets the requirements of its stakeholders: Ministers, local representatives, the Departments, its shareholder (OFMDFM), private sector bidders, its staff and the public.

SIB operates within a performance management framework that is consistent with the FABRIC<sup>2</sup>: approach to performance information. The key **performance targets** linked to its medium-term objectives are:

- To produce ISNI 2, with delivery in 2007/8;
- To support the delivery of key programmes and projects in years 1-3 of ISNI 1 (as agreed with departments and set out in annual business plans);
- To provide support for the reform process in ways agreed with OFMDFM and set out in annual business plans.

## ***Operating Strategy***

SIB's operating strategy describes its high-level approach to delivering its objectives and outcomes. The company's concept of operations is to deploy resources:

- in support of projects and the development of public sector delivery capabilities; and
- to encourage a well-informed market capable of delivering projects at competitive prices.

SIB will deploy staff and expert advisors to work in partnerships with Departments, representative bodies and the private sector to draft the ISNI. It will consult widely on these drafts and take proper account of the responses it receives. It will monitor progress with the implementation of the strategy and will publish regular reports to inform the decisions of Ministers and officials. The company will fund research to monitor the capabilities of the public and private sector and will recommend amendments to the strategic investment profile where such research indicates these are necessary.

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<sup>2</sup> *Choosing the Right FABRIC - A Framework for Performance Information*, HM Treasury *et al*, March 2001.

SIB will deploy staff in support of individual projects and programmes. It will agree the terms of engagement of its advisors with its partners and express these in formal Operational Partnership Agreements. Where this will accelerate delivery and reduce risk, SIB will use its enabling budget to part-fund expert consultancy employed by Departments.

The company will continue to identify opportunities where its staff can usefully fill project and programme director posts.

In furtherance of the government's reform programme, SIB will work to improve the delivery capabilities of Departments by supporting the development of Programme Delivery Support Units. It will continue to offer secondment opportunities both to senior civil servants and to more junior staff. It will work closely with the Central Procurement Directorate to implement best practice in procurement across central government. SIB will continue to promote the use of standard contracts where these reduce costs and lead times.

SIB will identify opportunities for public private partnerships where these offer best value.

The company will continue to support the 'Wider Markets Initiative' by providing public sector organisations with expert advice and access to specialist support from external consultants.

SIB acts as a bridge between the public and private sectors to promote mutual beneficial understanding. It will continue to inform the market of the likely flow of projects and develop contacts in private firms with the aim of encouraging their interest in Northern Ireland as a place to do business. It will do this through a marketing mix that includes sponsored conferences, sector briefings, personal meetings, magazine and newspaper articles, the SIB web site and media interviews.

The company will continue to develop its organisational capabilities. It will recruit and retain high-quality advisory staff by offering appropriate remuneration packages. It will invest in new IT systems where these will improve its efficiency and effectiveness. It will deploy sufficient administrative staff to ensure it meets the high standards of financial management and record keeping required by the public sector. It will develop its reporting processes to meet the needs of OFMDFM and DFP. It will continue to fulfil its obligations under the Freedom of Information Act.

### ***Forecast of Expenditure & Income***

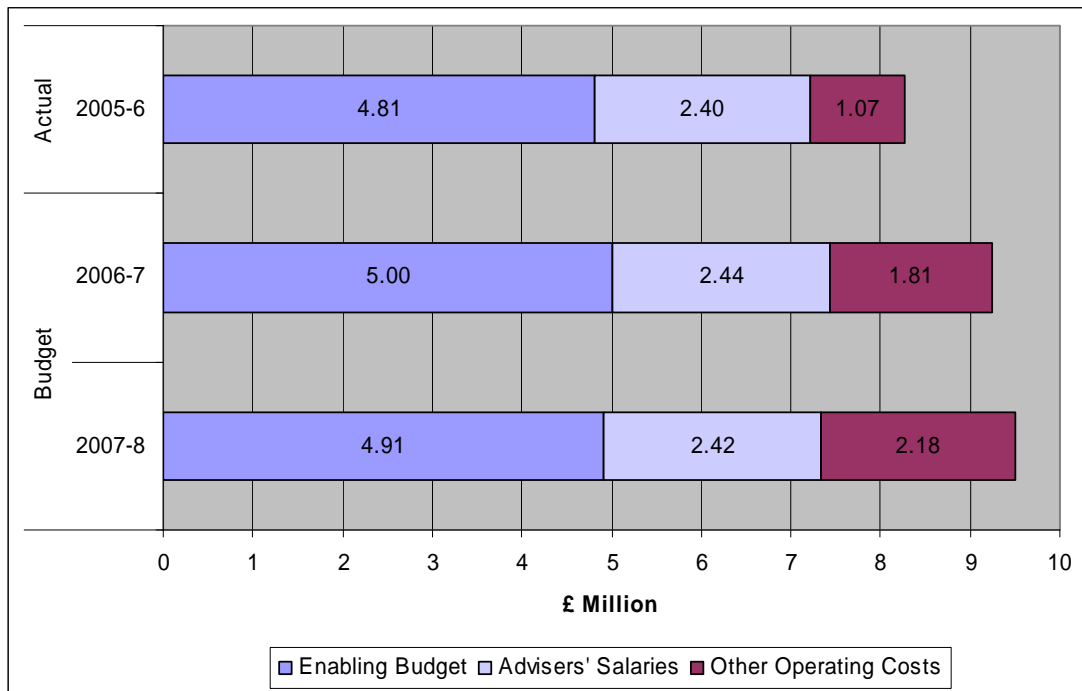
In June 2005 the government announced a zero-based Comprehensive Spending Review (CSR) which will decide the resource allocations for the period 2008-9 to 2010-2011. This section therefore only covers the years 2006/7 and 2007/8.

SIB is funded by OFMDFM by means of grant-in-aid. The budget is agreed with Ministers and the Department prior to the commencement of the financial year to which it relates. SIB's budget is allocated across two main budget areas:

- The enabling budget, which is used to pay for consultancy expertise required in connection with infrastructure projects. SIB will normally seek to share those costs with a department on a 50:50 basis, but it has the authority to commission consultants in its own right; and
- The administrative budget, from which salaries, expenses, accommodation and other running costs are met. This budget also funds internal consultancy

related to the internal functioning of SIB. More than 80% of SIB's employment costs are incurred directly supporting projects and programmes thereby providing additional weight to the concept of enabling.

The table below illustrates the indicative breakdown of SIB's budget for the period 2006-07 and 2007-08.



*SIB Budgets 2005/6 – 2007/8*

*(NB: Budget for 2008/9 will be allocated following the Comprehensive Spending Review)*

This year the SIB is implementing shadow charging so that it might, in future years, be in a position to recover the cost of its services from Departments. This would have the potential to allow the SIB to expand its activities without seeking any addition to its grant-in-aid.



# BUSINESS PLAN

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2006/7



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Author: Brett Hannam/David Gavaghan

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## **Introduction**

This Business Plan defines the business targets of the Strategic Investment Board Limited (SIB) for 2006/7 and documents the steps it will take to achieve them. The Business Plan is derived from the three-year Corporate Plan which sets out SIB's medium term objectives and high level corporate strategy. Taken together these documents describe the outcomes and the outputs the company will deliver from the resources allocated.

## **SIB Board**

The SIB Board has overall responsibility for setting and monitoring strategy, for developing and implementing policy and for supervising risk management, budgetary control and business planning. The Board's Audit Committee ensures that assurance can be provided to the Department (OFMDFM) as shareholder that the company's financial and other control systems are operating effectively. A list of members of the SIB board is attached at Appendix B.

## **SIB Organisation**

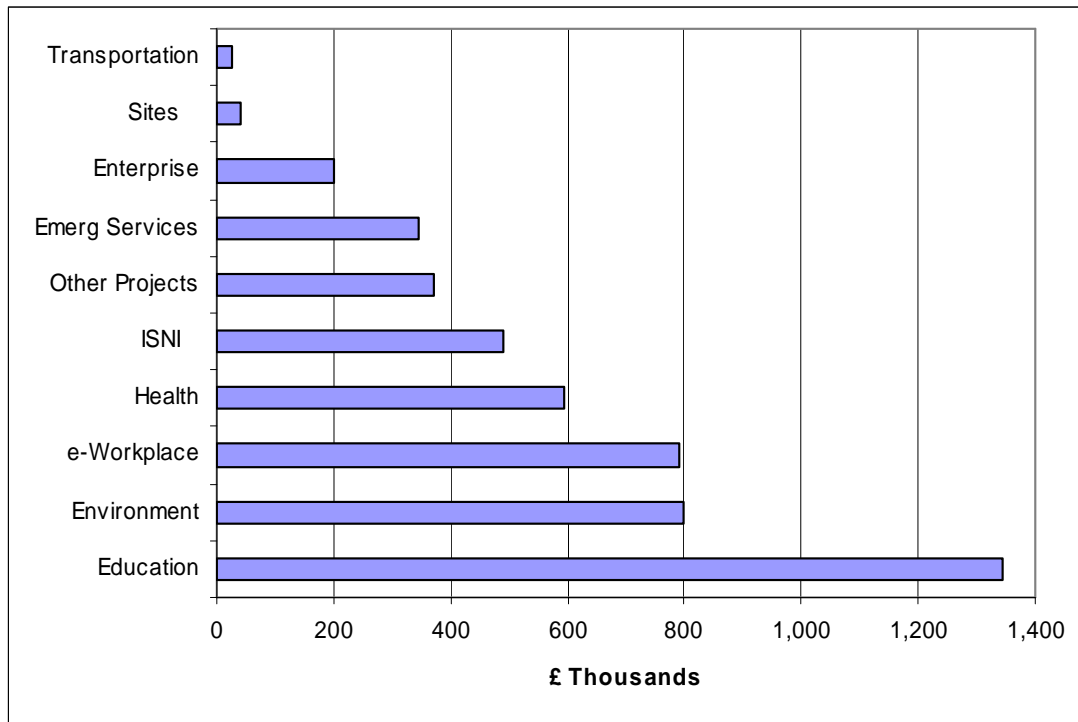
SIB is managed by the Chief Executive. The day to day support operations of the company are directed by the Chief Operating Officer. Legal advice is provided by the Legal Director. An organisation chart, showing the structure of the company and a breakdown of staff in post can be found at Appendix C.

## **SIB Budget 2006/7**

The SIB 2006/7 budget provision comprises:

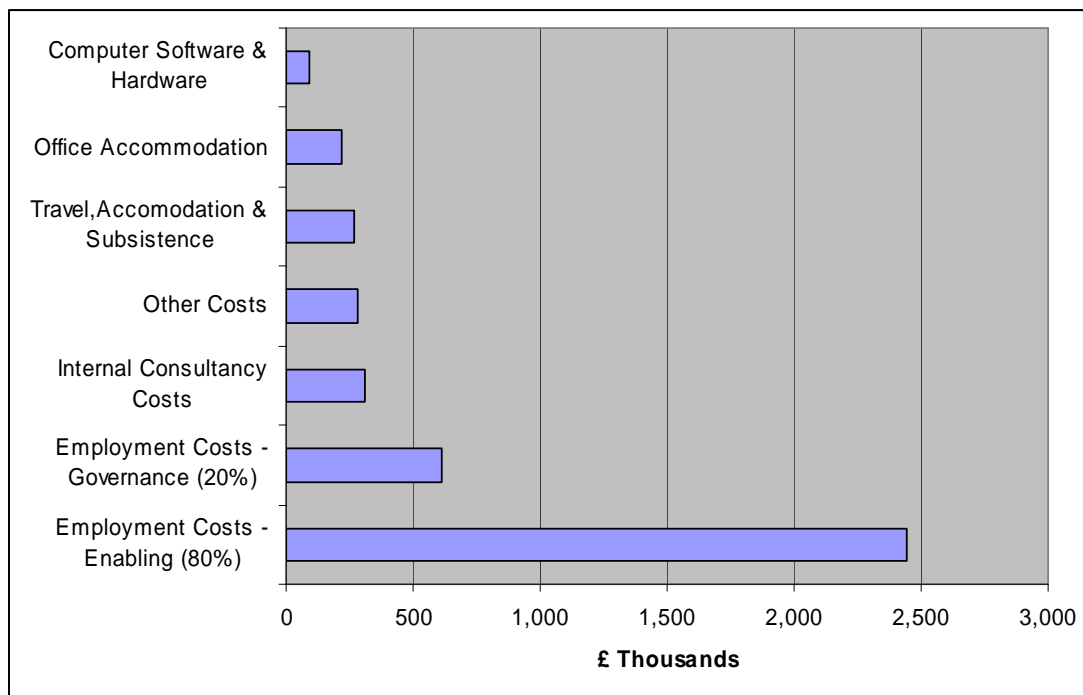
Enabling Budget:	£5m
Operating Budget:	£4.25m

The allocation of the enabling budget to infrastructure sectors is set out in the chart below.



*SIB – Allocation of Enabling Budget to Infrastructure Sectors*

The projected breakdown of operating costs is:



*SIB – Breakdown of operating costs*

The allocation of Strategic Advisors to sectors is set out in the table below:

Sector	Number of Advisors
ISNI	1
e-Workplace	3
Environmental Projects	0.5
Transportation	0.25
Education	3
Sites	2
Health	3

*SIB – Allocation of Strategic Advisors to sectors*

A more detailed organisational chart is attached at Appendix C.

## Key Targets and Milestones for 2006/7

Objectives	Outcomes	Actions	Performance Targets
To embed and develop the Investment Strategy for NI (ISNI)	The ISNI provides a comprehensive vision for future infrastructure investment. The ISNI reflects the Government's investment priorities and supports medium-term planning by the supply sector. The process for developing the ISNI is documented, repeatable and understood by all stakeholders. Ministers and top civil service managers have the information necessary to manage the investment programme effectively.	<p>A1.1 To agree a timetable and repeatable process for the production of ISNI2.</p> <p>A1.2 To work with partners to establish a suitable mechanism for reporting progress with the implementation of the ISNI.</p>	<p>T1.1.1 To have agreed a timetable for the production of ISNI 2 by September 2006.</p> <p>T1.1.2 To have devised and documented a repeatable process for updating the ISNI by November 2006.</p> <p>T1.2 To have gained approval from ministers and officials for a mechanism for reporting on the implementation of the ISNI by September 2006.</p>
To accelerate the delivery of supported projects/ programmes	<p>SIB helps Departments deliver more and better project procurements (in terms of faster delivery, lower risk and better value) than would otherwise have been possible.</p> <p>SIB is developing the market for public sector infrastructure in ways that improve competition</p>	<p>A2.1 To provide support to Departmental projects that is fit for purpose and delivered on time and within budget.</p> <p>A2.2 To reduce the costs, mitigate the risks and accelerate the delivery of projects supported by SIB.</p>	<p>T2.1 Over the course of the year, SIB will have delivered 85% of its support on time, within budget and to the satisfaction of its customers. (<i>See Technical Note 1</i>)</p> <p>T2.2 By March 2007, to have documented a set of interventions that demonstrate the scale and nature of the costs SIB has</p>

Objectives	Outcomes	Actions	Performance Targets
	and foster the development of the local economy.	<p>A2.3 To promote the use of SIB standard contracts.</p> <p>A2.4 To provide the support necessary to enable Departments to sell into wider markets.</p> <p>A2.5 To inform the market about the likely pattern of infrastructure investment. To encourage potential bidders for infrastructure contracts to see Northern Ireland as an attractive place to do business.</p>	<p>reduced; the nature of the costs it has reduced; the risks it has mitigated and the delivery processes it has accelerated in partnership with the Departments. (See Technical Note 2)</p> <p>T2.3 Over the course of the year, 75% of SIB supported projects will use a standard contract.</p> <p>T2.4 By March 2007, to have enabled 6 organisations to evaluate their potential to sell into wider markets.</p> <p>T2.5.1 By March 2007, to have run at least one Infrastructure Investment conference.</p> <p>T2.5.2 Over the course of the year, to maintain a website that provides potential bidders with the information required to assess investment opportunities.</p>

Objectives	Outcomes	Actions	Performance Targets
<p>To foster and promote reform in the delivery of major public sector infrastructure</p>	<p>SIB helps customers develop their infrastructure programme and project delivery capability so that more projects and programmes can be delivered faster, at reduced risk and demonstrating best value</p>	<p>A3.1 To establish Programme Delivery Support Units (PDSUs) within Departments.</p> <p>A3.2 To develop the capabilities of civil servants.</p> <p>A3.3 To open a local SIB office in Derry/Londonderry.</p>	<p>T3.1 By December 2006, to have helped establish PDSUs in the Department of Health and the Department of Education.</p> <p>T3.2 By March 2007 SIB will have provided secondment opportunities for 5 NICS staff.</p> <p>T3.3 By July 2006, to have opened and staffed an SIB office in Derry/Londonderry.</p>
<p>To develop the organisation and the individuals within the organisation.</p>	<p>SIB has developed as an organisation so that it meets the requirements of Ministers and OFMDFM and takes account of the legitimate interests of local representatives, the Departments, private sector bidders, its staff and the public.</p>	<p>A4.1 To comply with the terms of the Management Statement and Financial Memorandum.</p> <p>A4.2 To ensure advisers devote as much time as possible supporting projects and programmes.</p>	<p>T4.1 Over the course of the year, SIB will comply with the terms of the Management Statement and Financial Memorandum.</p> <p>T4.2 By March 2007 SIB will demonstrate that the strategic advisers have spent at least 90% of their conditioned hours directly supporting projects and programmes and not more than 10% on administrative tasks, training or other activities.</p>

Objectives	Outcomes	Actions	Performance Targets
		<p>A4.3 To implement a shadow charging regime for SIB's services.</p> <p>A4.4 To maintain staff turnover and sickness rates at lower than industry averages.</p> <p>A4.5 To pay bills on time.</p> <p>A4.6 To respond to FoI requests within the 20 day deadline.</p> <p>A4.7 To produce statutory and other accounts on time and fit for purpose.</p> <p>A4.8 To move SIB's offices to Clare House on schedule and</p>	<p>T4.3 To attribute the full economic cost of SIB support to individual programmes and projects.</p> <p>T4.4.1 Staff turnover rates to be less than 25%.</p> <p>T4.4.2 To have reduced sickness rates to below an average of 5 days per person per year.</p> <p>T4.5 To pay 95% of properly presented bills within 30 working days.</p> <p>T4.6 To have responded to 90% of FoI requests within the 20 day deadline. (<i>See Technical Note 3</i>)</p> <p>T4.7 To produce the company's accounts and annual report in line with the requirements of OFMDFM and DFP.</p> <p>T4.8 To move to Clare House in line with project plans and to be</p>

Objectives	Outcomes	Actions	Performance Targets
		<p>without significant disruption to the company's operations.</p> <p>A4.9 To implement the company's Records Management Strategy.</p> <p>A5 To agree a Performance Management Framework with OFMDFM.</p> <p>A6 To produce SIB Corporate and Business Plans within the schedule set by OFMDFM.</p> <p>A7 To promote equality of opportunity through the implementation of our approved Equality Scheme</p>	<p>fully operational within 72 hours of arrival.</p> <p>T4.9.1 Over the course of the year, to have operated a paper filing system that is approved by the company's internal auditors.</p> <p>T4.9.2 To migrate to electronic records management by March 2007.</p> <p>T5 To have agreed a Performance Management Framework with OFMDFM by July 2006.</p> <p>T6 To have agreed SIB Corporate Plan for 2007/8 -2009/2010 and Business Plan for 2007/8 with OFMDFM by March 31 2007.</p> <p>T7 To implement the action plan set out in Appendix 4 of SIB's Equality Scheme.</p>



## ***Technical Notes***

- 1: 'Fit for purpose' will be determined through feedback from Departments on the performance of advisors. This will use a four point scale: 'Excellent', 'Good', 'Satisfactory' and 'Less than Satisfactory'. Feedback will be requested annually as part of SIB's Stakeholder Survey. 'On time' refers to SIB meeting its own milestones for the delivery of products and advice. (These are documented in the Sectoral Business Plans, attached at Appendix A.) Within budget refers to the deployment of the enabling budget in accordance with the expected profile, re-baselined where necessary to take account of delays outside the control of SIB.
- 2: This target provides a qualitative response to the difficulty of disaggregating the contribution made by SIB to the over all success of projects and the development of markets in ways that are quantifiable and can be tracked over time. The implementation of the sectoral business plans provides the body of evidence to demonstrate SIB's achievements. SIB's Operational Partnership Agreements identify and define its roles and responsibilities across each department's investment programme.
3. Excepting requests requiring referral to the central clearing house or external bodies.

## Appendix A: Sectoral Business Plans

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
ISNI		Develop the ISNI process Commence preparation for ISNI 2 (see also Key Targets and Milestones)	By mid-year to have: Completed Technical Guidance DST tested and operational Completed first affordability review completed Commissioned any work required to 'flesh out' project/programme options Completed Investment Framework Developed high-level KPIs Held first meeting of IDG Sent first draft of communications & governance papers to IDG for comment Agreed way forward with DFP on common project identifiers	By end-year to have: Completed periodic update to affordability review (capital & revenue) Completed any scoping reviews required. Reflected the impact of affordability reviews and scoping in re-profiling and project plans Commissioned Needs Work from Depts to inform ISNI 2 (projects to 2018) Agreed communications and governance arrangements with stakeholders Reached agreement on Monitoring Completed monitoring report for ISNI 1

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
<b>Health</b>	Antrim Area Hospital	Help DHSSPS advance project to production of site-wide development plan and OBC, and advise throughout procurement to financial close.	By mid-year to have appointed project advisers (legal and financial).	By year-end to have: Received OBC2 from the Trust.
	Belfast City Hospital Redevelopment.	Help DHSSPS advance project to production of site-wide development plan and OBC and advise throughout procurement to financial close.	By mid-year to have agreed project scope with the Trust and Department.	By year-end to have appointed appropriate project advisers.
	Craigavon Hospital Redevelopment.	Help DHSSPS advance project to production of site-wide development plan and OBC and advise throughout procurement to financial close.	By mid-year to have gained approval of OBC1.	By year-end to have: Appointed project advisers; Received OBC2 from the Trust.
	Downshire Site Regeneration.	Help DHSSPS to produce a site redevelopment masterplan and outline planning permission (OPP) application before approaching the market to maximize a return on its asset and advise throughout execution phase.	By mid-year to have gained OBC1 approval.	By year-end to have: Appointed project advisers; Gained approval for OBC2; Gained OPP.

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
	HPSS Estate Asset Management.	Help DHSSPS to produce a strategic asset management plan (AMP) for its existing assets and land bank. Provide advice through implementation phase.	By mid-year to have completed the Asset Register and drafted the Disposal Strategy	By year-end to have commenced implementation of the Disposal Strategy.
	Knockbracken Site Regeneration.	Help DHSSPS to produce a site redevelopment masterplan and OPP application before approaching the market to maximize a return on its asset and advise throughout execution phase.	By mid-year to have appointed the Masterplanners.	By year-end to have completed the first draft Masterplan
	Mater Hospital Redevelopment.	Help DHSSPS advance project to production of site-wide development plan and OBC, and advise through procurement to financial close.	By mid-year to have appointed Crumlin Road site redevelopment masterplanners.	By year-end to have: Agreed the redevelopment plan with Crumlin Road Gaol Advisory Panel, the Trust and the Department; Received OBC1 from the Trust.
	Musgrave Park Hospital Redevelopment.	Help DHSSPS advance project to production of site-wide development plan and OBC and advise through procurement to financial close.	By mid-year to have appointed project advisers (legal and financial).	By year-end to have received OBC2 from the Trust.

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
	Primary and Community Care Programme.	Help DHSSPS to produce a Strategic Delivery Plan (SDP) for future primary care facilities in NI and advise throughout procurement and execution.	By mid-year to have produced the delivery programme.	By year-end to have prepared the first project bundle.
	RVH Women and Children's Hospital.	Help DHSSPS advance project to production of site-wide development plan and OBC and advise throughout procurement to financial close.	By mid-year to have appointed project legal advisers.	By year-end to have: Appointed project financial advisers; Gained approval for OBC2. Brought the project to market.
	South-West Hospital project, Tyrone and Fermanagh.	Help DHSSPS advance project to production of site-wide development plan and OBC and advise throughout procurement to financial close.	By mid-year to have: Appointed project advisers (legal and financial); Gained Enniskillen project OPP; Gained approval for Enniskillen OBC2 Brought the Enniskillen project to market; Received Omagh project OBC2 from the Trust.	By year-end to have: Gained Omagh project OPP; Gained Omagh project OBC2 approval; Brought the Omagh project to market; Shortlisted the Enniskillen project bidders.

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
	Ulster Hospital.	Help DHSSPS advance project to production of site-wide development plan and OBC and advise throughout procurement to financial close.	By mid-year to have: Appointed project advisers (legal and financial); To have received project OBC2 from the Trust; Gained project OPP; Gained project OBC2 approval.	By year-end to have brought the project to market.
	Belvoir Park Site Regeneration	Help DHSSPS to produce a site redevelopment masterplan and OPP application before approaching the market to maximise a return on its asset, and advise throughout the execution phase.	By mid-year to have appointed appropriate advisers.	By year-end to have brought the project to market.
<b>Education</b>	BELB	Advance BELB strategic partnership to financial close, (ITN).	By end-September to have selected a Preferred Bidder	To have submitted the case for Outline Planning Approval by 30 November.  To have submitted the Final Business Case by 31 December.

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
	Education Legacy Projects	Continue to provide advice to DE in respect of the delivery of education legacy projects	<p>By mid-year to have:</p> <p>Appointed a preferred bidder on Derry/Londonderry schools;</p> <p>Appoint a preferred bidder on Down &amp; Connor/De La Salle;</p> <p>Received compliant bids for Lagan College &amp; Tor Bank;</p>	N/A
	Education Initiative	Implement the education initiative proposals for new procurement and delivery arrangements.	<p>By mid-year to have:</p> <p>Completed three outline business cases (OBC) for the 2004 projects and commenced the next phase of procurement.</p>	<p>By year-end to have either:</p> <p>Begun FBC process or</p> <p>Scoped alternate D&amp;B procurement (Dependent upon outcome of OBC approval process).</p>

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
	Schools' Estate – new procurement & delivery arrangements	Provide advice to DE in respect of the management of the PDSU and the development of its key work strands : <ul style="list-style-type: none"> <li>• Project planning &amp; control</li> <li>• EIPS</li> <li>• Policy &amp; Estate Planning</li> <li>• Frameworks &amp; Strategic Partnering Arrangements</li> <li>• Communications, HR, IR &amp; Equality</li> <li>• Business Case SBC first draft</li> </ul>	By mid-year to have: Completed master plan for 2004 & 2006 projects Procured advisers to PDSU Issued Planning Guidance to stakeholders Have a Professional Services framework in place. SBC first draft completed	By year-end to have: Made available Education partners first SIPs Procured D&B integrated team framework partners Refresh SBC to align with consolidated SIPs
	BIFHE2	Advance the BIFHE city-centre development by nominating a preferred partner and working towards achieving a contract and financial close.	By mid-year to have: Received and evaluated tenders; Appointed a preferred bidder.	By year-end to be within two months of finalizing the terms and conditions of the contract with the preferred bidder.



Sector	Project	Activities	By 31 October 2006	By 31 March 2007
<b>E-Workplace</b>	Workplace 2010	To continue to programme manage the Workplace 2010 Programme.	<p>By mid-year to have:</p> <p>Issued ITN documentation.</p> <p>Received bidders' responses to ITN.</p> <p>Completed Clare House Pathfinder Project.</p> <p>Commenced programme of pre-contract works.</p> <p>Established joint project working with ICT. Shared Service Centre.</p> <p>Have completed the EQIA for Workplace 2010.</p>	<p>By year-end to have:</p> <p>Shortlisted to 2 bidders.</p> <p>Issued and received BAFO responses.</p> <p>Completed programme of negotiations with 2 bidders.</p> <p>Made recommendations to SRO on Preferred Bidder.</p> <p>Begun programme of pre-contract works on site.</p> <p>Commenced procurement for data centre for Shared Services Centre.</p>
	Broadband Aggregation	Support the procurement of a broadband service supplier.	<p>By mid-year to have:</p> <p>Procured legal and commercial support;</p> <p>Had ISOP responses returned and assessed with shortlisting complete;</p> <p>Issued ITN and obtained responses.</p>	<p>By end-year to have:</p> <p>Completed negotiations;</p> <p>Issued BAFO invitation and obtained response;</p> <p>Selected a preferred bidder.</p>

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
<b>Enterprise &amp; Wider Markets</b>	Wider Markets	Advance the wider markets initiative in NI.	<p>By mid-year to have:</p> <p>Completed OSNI market research study.</p> <p>Issued Forestry Commission TOR and appointed consultants.</p> <p>Run workshops with 3 departments to identify possible wider markets opportunities.</p> <p>Agreed rules for sharing of wider markets revenues.</p> <p>Drawn up, and obtained university buy-in for, an improved knowledge transfer strategy.</p>	<p>By end-year to have:</p> <p>Assessed options and configured a commercial Wider Markets proposition with OSNI;</p> <p>Completed the Forestry market research study.</p> <p>Assessed the options and configured a commercial Wider Markets proposition with Forestry Commission</p> <p>Run workshops with 3 further departments.</p> <p>Obtained funding for implementation of Knowledge Transfer strategy.</p>
<b>Sites</b>	Derry/Londonderry Sites	Support ILEX.	<p>By mid-year to have:</p> <p>Assisted Ilex in finalising its project plan.</p> <p>Identified suitable opportunities for SIB involvement</p>	N/A

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
	Stadium Project	Maintain the momentum of the stadium project.	<p>By mid-year to have:</p> <p>Government make a formal announcement on stadium project.</p> <p>Formed the project steering group.</p> <p>Launched the search for a Stadium Design Team.</p> <p>Started negotiations on naming rights</p>	<p>By end-year to have:</p> <p>Completed the outline Stadium design.</p> <p>Announced the naming rights sponsor.</p> <p>Refined the Stadium Business Plan</p>

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
	Maze Development	Continue the development of the Maze/Long Kesh Regeneration Site.	<p>By mid-year to have:</p> <p>Launched the Maze/Long Kesh Masterplan</p> <p>Held regular meetings of Maze/Long Kesh Monitoring Group</p> <p>Continued the development of ICCT business plan</p> <p>Market tested private sector development interest</p> <p>Engaged with Invest NI on a potential business park</p>	<p>By end-year to have:</p> <p>Identified the appropriate delivery vehicle, including a long term delivery partner</p> <p>Prepared a planning application</p> <p>Completed the ICCT business plan.</p>
	Crumlin Road Gaol	Pursue the development of Crumlin Road Gaol (CRG).	<p>By mid-year to have:</p> <p>Held regular meetings of CRG steering group</p> <p>Prepared a Masterplan for the site.</p>	<p>By end-year to have launched the CRG Masterplan</p>
<b>Transport</b>	Roads II	Complete the procurement of the second DBFO Roads Package.	N/A	<p>By end-year to have completed the procurement of the second DBFO Roads Package.</p>

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
	City of Derry/Londonderry Airport	Activities to assess future governance options. Provide advisory services to Airport Committee	N/A	By the end of the year to have planned activities to implement the DCC decision.
	Port of Belfast	Comprehensive response to the Review on the status of the Trust Ports.	Response submitted to the Review on the status of the Trust Ports.	N/A

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
<b>Emergency Services</b>		<p>Locate specialists in fire and rescue and ambulance;</p> <p>Conduct the Benchmarking and Future Proofing process;</p> <p>Procure the services of client advisors to compile the OBC1 and OBC2;</p> <p>Complete the OBC1 and OBC2.</p> <p>Conduct the Gateway review;</p> <p>Develop a system to best identify locations for NIFRS/NIAS and PCCI utilizing public sector knowledge;</p> <p>Work towards the integration of the training facilities for PSNI and the NIFRS;</p> <p>Supply a proactive supportive approach for the PSNI as required.</p> <p>Selection of suitable NIFRS/NIAS projects for inclusion in the PCCI procurement.</p> <p>Ensure that delivered projects meet service requirements;</p> <p>Progress the possibility of a fleet procurement option;</p>	<p>By mid-year to have:</p> <p>Identified independent experts in fire and ambulance to conduct a benchmarking and future proofing review of the submitted Strategic / business plans;</p> <p>Facilitated the identification and acquisition of most suitable sites for the NIFRS/NIAS programme as well as the benefit of the PCCI.</p> <p>Appointed consultants to update the business plans and to compile OBC2s for fire and ambulance services</p> <p>Segregated the procurement of individual projects, e.g. Brigade training centre; Downpatrick Fire and Rescue; Fleet.</p>	<p>By end-year to have:</p> <p>completed OBC;</p> <p>Conducted a Gateway Review 0;</p> <p>Selected individual NIAS and NIFRS assets to be procured as part of the PCCI programme;</p> <p>Submitted OBC's for approval and, when approved, have commenced the approval process;</p> <p>Following procurement approaches to have considered the joint training/location of the NIFRS and PSNI training centres. Have begun work with the stakeholders towards the procurement of the project;</p> <p>Considered the integration of fleet services for the benefit of service providers.</p>

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
<b>Environmental Projects</b>	Water Reform	<p>To continue working with NIWS and DRD to develop the governance and regulatory framework with specific focus on:</p> <ul style="list-style-type: none"> <li>• NIWS Licence;</li> <li>• Business model evolution; and</li> <li>• Shareholder governance arrangements.</li> </ul>	<p>By mid-year to have:  Completed consultation on legislation;  Defined Water Service metering strategy;  Completed first draft of Water Service Licence.</p>	<p>By year-end to have:  Completed Water Service Instrument of Appointment (Licence);  Enacted Northern Ireland Water Order.  Issued first domestic water bills.  CCNI in receipt of legislative powers.  OFREG in receipt of legislative powers.</p>
	Water Project: Alpha	To agree sustainable contract management structure post financial close and termination of the PPP Unit role.	To have Alpha projects under construction under a sustainable contract management structure.	All projects under construction. SIB work on these projects finished and PPP Unit wound up.
	Water Project: Omega	To conclude the procurement process to Financial Close on schedule.	<p>To have all issues resolved prior to Financial Close.  To have North Down at an advanced stage of construction under the AWC.</p>	All projects under construction. SIB work on these projects finished and PPP Unit wound up.

Sector	Project	Activities	By 31 October 2006	By 31 March 2007
	Waste Reform	Support DOE, District Councils and their Regional Waste Partnership Groups in the formulation and delivery of a major programme of large scale waste management infrastructure, to meet the requirements of the EU Landfill Directive and relevant UK and NI legislation.	<p>By mid-year to have: Secured the establishment of a Programme Delivery Support Unit (PDSU) within DOE.</p> <p>Completed SBC for DOE CSR bid for central funding contribution to major waste management infrastructure</p>	<p>By end-year to have: Achieved commercial/financial close on arc21 Organics procurement. PDSU up and running. Completed review of Waste Management Plans. Drafted OBCs in place for next phase of procurement activity.</p>
<b>Housing</b>	Social Housing	Support DSD and NIHE in developing a strategy for the improvement of new social housing procurement.	<p>By mid – year to have: Secured an agreement between SIB, DSD and NIHE to adopt the key principles of the PUK/SIB report;</p>	<p>By end – year to have: Completed a Strategic Delivery Plan for the procurement of new social housing. Developed appropriate delivery structures. Developed a procurement strategy and identified appropriate forms of contract.</p>



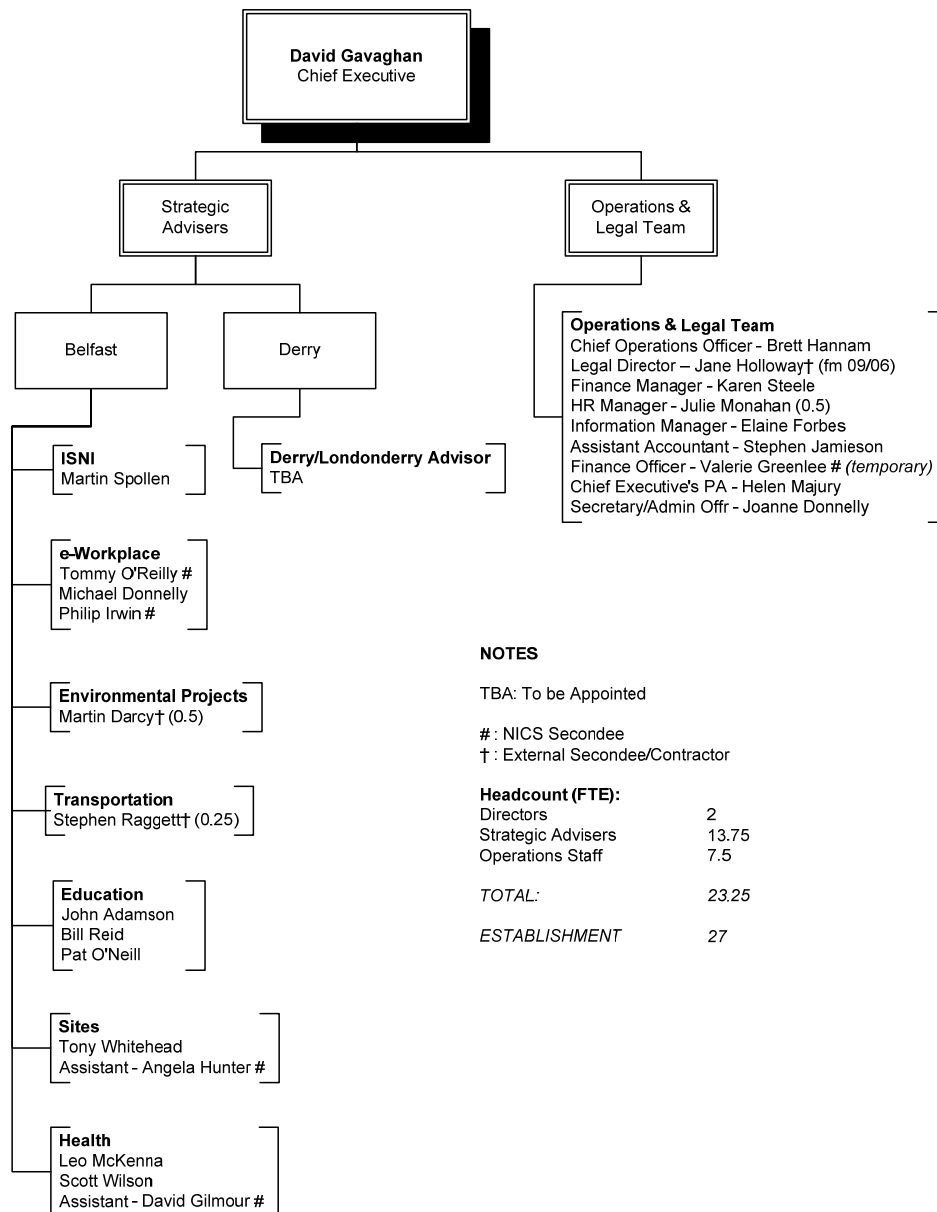
## **Appendix B: SIB Board**

Tony Watson	Chairman
David Gavaghan:	Chief Executive
Brett Hannam:	Chief Operating Officer
Nigel Hamilton:	Head of the Northern Ireland Civil Service, Non-Executive Director
Greg Sparks	Non-Executive Director, Chair of Audit Committee
David Dobbin	Non-Executive Director
James Stewart	Non-Executive Director

# Appendix C: SIB Organisation Chart

## Strategic Investment Board Limited

Organisation as at August 1st 2006



## Appendix D: Glossary of Acronyms

AMP	Asset Management Plan
AWC	Advanced Works Contract
BAFO	Best and Final Offer
BIFHE	Belfast Institute of Further and Higher Education
CCNI	Construction Council for Northern Ireland
CRG	Crumlin Road Gaol
CSR	Comprehensive Spending Review
D&B	Design and Build
DBFO	Design, Build, Fund and Operate
DCC	Derry/Londonderry City Council
DE	Department of Education
DFP	Department of Finance and Personnel
DHSSPS	Department of Health, Social Services and Public Safety
DOE	Department of the Environment
DSD	Department of Social Development
DST	Decision Support Tool
EQIA	Equality Impact Assessment
EIPS	Education Infrastructure Procurement Service
EU	European Union
FBC	Final Business Case
HR	Human Resources
ICCT	International Centre for Conflict Transformation
IDG	Inter-Departmental Group
ILEX	Derry/Londonderry Urban Regeneration Company
ISNI	Investment Strategy for Northern Ireland
ISOP	Invitation to Supply Outline Proposal
ITN	Invitation to Negotiate
KPI	Key Performance Indicator
NIAS	Northern Ireland Ambulance Service
NICS	Northern Ireland Civil Service

NIFRS	Northern Ireland Fire and Rescue Service
NIHE	Northern Ireland Housing Executive
NIWS	Northern Ireland Water Service
OBC	Outline Business Case
OFMDFM	Office of the First and Deputy First Minister
OFREG	Office of the Regulator
OPP	Outline Planning Permission
OSNI	Ordnance Survey Northern Ireland
PCCI	Primary Community Care Infrastructure
PDSU	Programme Delivery Support Unit
PPP	Public-Private Partnership
PUK	Partnerships UK
SBC	Strategic Business Case
SIB	Strategic Investment Board Limited
SIP	Strategic Investment Plan
SDP	Strategic Delivery Plan
SRO	Senior Responsible Officer
TOR	Terms of Reference