

Minutes of a Board Meeting of Strategic Investment Board Limited

Held at 11.00am on Tuesday 17th July 2012 at
Clare House,
303 Airport Road West, Belfast

Present:	Frank Hewitt (FH) Brett Hannam (BH) Denis Rooney (DR) Chris Thompson (CT) (Acting Chair)
Apologies:	David Dobbin (DD) Geraldine McAteer Bro McFerran
In attendance:	Scott Wilson (SW) Gregor Hamilton (GH) Denise Stockman (DS) (Item 4 onwards only)

Chair: In the absence of DD it was agreed that CT should chair the meeting.

Declarations of Interest: FH declared interests in respect of his involvement with ILEX, NI Transport Holding Company and NI Science Park, and indicated that he would withdraw from the meeting in the event that the chair thought it appropriate in the event of any discussion of related matters.

1. Minutes of Previous Meeting

The minutes of the June 2012 board meeting were approved. The single action, (BH to pass note of “social clause” outputs from Enniskillen Hospital project to GM) had been completed.

2. Chairman’s Update

BH reported on behalf of DD that a submission proposing the recruitment of a new Chair and two additional non-executive board members was with Ministers; the advertisement was ready for publication and an independent panel member had been identified.

He informed board members that the MAC had been booked for the away day and that Malcolm McKibben would address the board at a dinner. Noel Lavery and Tim Losty would also attend.

BH reported that DD was working on a programme for the away day and this would be circulated in advance.

3. Chief Executive's Report, ISNI Report and AMU Report

BH noted that the ISNI had briefly been considered for discussion at the July meeting of the Executive. Unfortunately, for logistic reasons, this had not proved possible. He noted that it now appeared that the political consensus required for publication had been substantially achieved, and that this delay would allow the final document to take account of the BRG's eventual decision in respect of Revenue Funded Investment.

BH drew the attention of the board to the risks attached to the delivery of the City of Culture venues.

BH noted that the Social Clauses for the Ravenhill stadium project had been approved by the DCAL minister and that these (suitably adapted) would be incorporated into the other stadium projects. CT noted that there remained a perception in some quarters that CPD were reluctant to fully embrace social clauses. BH explained that he had discussed this matter with the Director of CPD and had received assurances that CPD were fully committed to the implementation of social clauses as part of "business as usual" on all procurements. He asked whether it might be appropriate to propose targets across procurements for the achievement of social outcomes. BH expressed view that a "one size fits all" approach would not be appropriate given the differing scope of opportunities for applying social clauses across different projects. He expected that social clauses would soon be used as a matter of routine, in line with the relevant PfG commitment, but agreed that this was something which should be monitored, and action taken if appropriate.

BH reported that financial and technical advisers had been appointed from the Health Estates framework to take forward business cases for Primary Care 3PD, and that SOCs had been approved by the Department and submitted to DFP.

BH updated the board on the current position on the MoT Test Equipment contract review.

BH noted that the other matter in the report to which he would have drawn specific attention was the position on ESA, but this had already been discussed in detail earlier in the Programme and Projects Committee.

SW updated the board on the AMU. He asked the board whether they would prefer more detailed figures in the AMU report. After a brief discussion it was agreed that it would be helpful if the "Completed" section could be broken down to show the split between actual disposals and other items (such as accounting adjustments).

SW noted that delays sometimes arose on disposals because of a reluctance on the part of LPS to agree to disposal values when the price achievable in the market was lower than its previous estimates of value. He had raised this issue with Stephen Peover. In response to a question from DR, SW estimated that this affected the disposal of about 80 different assets. However, he noted that the BRG had agreed to six-monthly revaluations so as to allow more realistic pricing.

FH noted from his own knowledge of NITHCo that the work done by the AMU had resulted in a greater focus on the part of management on asset management.

SW noted that good progress had been made on Departmental Asset Management Plans and the AMU expected to receive all the drafts within the next two weeks. AMU would then review them and they should be complete by the end of August.

SW gave the board an update on progress with e-PIMS and on preparation of the first annual "State of the Estate" report. The principal focus of the report would be on the office estate.

SW explained the arrangements agreed with DFP for the preparation of the asset Management Strategy.

CT sought clarification as to the role played by Ed Vernon in relation to the AMU. SW explained that his assistance was greatly valued and complementary to the role played by SW himself. DR noted that Ed Vernon had attended the meetings of the Asset Management Sub-Committee. FH suggested that Ed Vernon be asked to attend board meetings; perhaps once per year. It was agreed that, subject to the Chairman's agreement, he should be invited to attend the September board meeting to discuss his annual report to ministers on the AMU.

The board discussed the ISNI Implementation Report. CT drew attention to the absence of references to a number of important projects. BH undertook to ensure that this would be remedied. CT suggested that it would be useful for the report to be more widely circulated. BH

explained that it was already circulated to MLAs on a monthly basis. BH undertook to circulate these reports to board members.

4. Education Area Planning

Denise Stockton joined the meeting and gave a presentation on the work she is carrying out with DE in relation to Education Area Planning. She explained the policy context in which the work was being carried out; the desired outcomes; the difficulties faced; progress to date; the consultation timetable; the schedule for completion of the plans and the process to be followed to implement the plans in respect of individual schools.

DR expressed disappointment at the absence of any explicit requirement to consider cross-community solutions as part of the planning process. DS acknowledged this but noted that in many cases cross-community cooperation actually occurred by default when it was the only solution capable of delivering the entitlement framework required by the policy. She further noted that a separate piece of work was being carried out by DE in relation to shared education. BH noted that it was clear from experience on the Lisanelly project that obtaining cooperation between different types of school was a problem, irrespective of any cross community aspects.

FH queried whether enough attention was being paid to ensuring that the curriculum was appropriate. DS explained that DE and the Council for the Curriculum Examinations and Assessment retained responsibility for the supervision of the curriculum, but one of the key drivers to the EAP process was the requirement to offer a sufficiently broad range of courses to all pupils.

CT thanked DS for her presentation, expressed the board's support for the work, and volunteered the board's assistance where it could be helpful to her work.

5. Annual Report from Audit Committee

The Annual Report from the Audit Committee was discussed and noted.

6. Quarterly Dashboards and Reports

The Quarterly Dashboards and Reports were discussed and noted.

7. Finance Report

BH explained that there had been a substantial underspend against the expenditure profile drafted in February (notwithstanding the amount of spend was actually higher than in the same period in the previous year, in the context of a smaller budget). He drew attention both to the specific reasons for the underspend on a project by project basis and a number of more generic factors that had been relevant to the outturn. He gave an assurance that in almost all cases expenditure would catch up with the profile over the coming month or quarter. The board noted the position and the Chief Executive's explanations and assurances in relation to the variances and suggested a detailed review in preparation for the next monitoring round.

TABLE OF ACTIONS

<i>Ref</i>	<i>Action</i>	<i>Owner</i>	<i>Status</i>
1	SW to invite Ed Vernon to the September Board (subject to Chairman's agreement).	SW	
2	BH to arrange circulation of ISNI MLA reports to members.	BH	