

Minutes of a Board Meeting of Strategic Investment Board Limited

Held at 10:30am on Tuesday 13th December 2011 at
Clare House,
303 Airport Road West, Belfast

Present: David Dobbin (DD) – Chair
Frank Hewitt (FH)
Bro McFerran (BM)
Chris Thompson (CT)
Brett Hannam (BH)
Geraldine McAteer (GM)

In attendance: Martin Spollen (MS) (Items 1-3 only)
Scott Wilson (SW)
Gregor Hamilton (Comp. Sec.)
Judith Brown (OFMDFM)
Mary McKee (Item 5 only)
Kenny Knox (Item 5 only)

Apologies: Dennis Rooney

The non-executive directors held a private meeting in advance of the main meeting

Declarations of Interest: DD declared an interest in the stadiums project respect of his involvement with Ulster Rugby. BM declared interests in respect of his involvement with ILEX and City of Culture 2013. FH declared interests in respect of his involvement with ILEX and NI Science Park.

1. Minutes of Previous Meeting

The minutes of the October board meeting were agreed.

2. Interim Chief Executive's Report

BH spoke to the Interim Chief Executive's Report. The Board noted and discussed in particular:

- progress on regeneration work at Maze Long Kesh, including an update on the public appointments process underway;
- SIB's role in a review of the strategic business case for the waste management programme;
- Titanic Signature Project (particularly in light of recent media attention)

2. Update on work of the Asset Management Unit (AMU)

SW updated board on progress of the AMU. The board discussed in particular the potential opportunities to use resources more efficiently in the social housing sector by aligning the specifications of new build properties for Housing Associations with the requirements of building regulations, and the potential to increase revenue by increasing rents on new builds. There was a discussion around the potential opportunity, given economic conditions, for Housing Associations to acquire good sites at good prices from NAMA and the banks, although it was noted that some Housing Associations already owned sites with planning permission which they had not developed. GM noted the social regeneration benefits of brown field development of social housing, particularly mixed use development where flats could be provided over shops.

3. ISNI – Update

DD congratulated all of those involved in the preparation and publication of the draft ISNI.

MS set out the proposed consultation timetable and process for the joint public consultation on ISNI, PfG and the Economic Strategy. The Board noted that SIB has submitted the draft of the EQIA on the draft ISNI and Ministers' approval to publish is awaited.

MS explained that one substantive issue likely to arise during the consultation will be plans for the A5 and A8 road projects in light of the recent announcement by the Irish Government. It was noted that Ministers are currently considering options during the consultation period and that SIB is advising in this regard. DD suggested that a plan might be prepared to set out those

projects which could be funded in the event that the Executive was to change its policy on water-charging (while acknowledging current political opinion on the topic).

CT queried the effect of the additional £134m announced for NI in the Chancellor's Autumn Statement. MS explained that this funding is additional to that set out in the Budget and ISNI for the years concerned and that consideration is underway on how best to allocate this to priority projects.

MS left the meeting

4. Revised Management Statement and Financial memorandum

BH and JB explained that the Management Statement and Financial Memorandum were OFMDFM documents and that the revision was an OFMDFM process designed to bring governance arrangements into line with best practice, but the Board had been asked to review them. BH explained that he had already suggested a number of minor amendments to ensure that the revised documents reflected actual practice developed with OFMDFM.

It was agreed that GH should liaise with JB and prepare a paper in advance of the next board meeting, setting out any material differences to the previous arrangements.

5. Regeneration

Mary McKee and Kenny Knox joined the meeting.

GM explained the background to work on and the emphasis placed in both PFG and ISNI on requirement to deliver social benefits. The appointment of six "associate Advisors" with particular expertise in this area was noted.

MM and KK gave a presentation on the planned work which they and the advisors would be engaged in, focusing initially on projects where SIB was already involved within OFMDFM, DCAL and DSD.

GM pointed out the substantial body of good practice from England, Scotland and Wales which could be drawn upon.

6. Finance Report

The Board noted the Finance report.

7. Board Self-Assessment

CT explained some changes which had been made to the self-assessment questionnaire. He indicated he would circulate the revised questionnaire for completion shortly, with intention of being in a position to report on the responses – on as open a basis as possible, while respecting desire of respondees to retain anonymity if required - at the January board meeting. It was agreed that the questionnaire should also be circulated to non-director regular attendees.

8. Other Business

BH briefed the board on proceedings at the recent staff 'away day'.

The Equality scheme was approved.

Chairman

| <i>Ref</i> | <i>Action</i> | <i>Owner</i> | <i>Status</i> |
|------------|--|-----------------|---------------|
| 1 | Prepare paper on revised Management Statement and Financial Memorandum | Gregor Hamilton | |
| 2 | Circulate revised board self-assessment questionnaire | Chris Thompson | |