

Minutes of a Board Meeting of Strategic Investment Board Limited

Held at 10.00am on Tuesday 14th June 2016 at
Carleton House
Gasworks Business Park
1 Cromac Avenue
Belfast

Present: Gerry McGinn (GMcG)(Chair)
Marie Therese McGivern (MTM)
Chris Thompson (CT)
Kathryn Thomson (KT)
Danny McSorley (DMcS)
Duncan McCausland (DMcC)
Frank Hewitt (FH)
Brett Hannam (BH)

In attendance: Gregor Hamilton (GH)
Scott Wilson (SW)
Martin Spollen (MS)
Julie Harrison (JH) (Item 13 only)
Stephen McGowan (SM) (Item 13 only)

Apologies: None

Declarations of interest

1. The usual declarations of interest were taken as read. In the light of the items potentially open for discussion KT noted interest in NMNI; DMcS noted interest in DCAL Safety and Technical Group for Casement Park; FH particularly noted his interest in NI Transport Holding Co; KT noted interest in NMNI and MTM noted interest in Bombardier (and receipt by Belfast Metropolitan College of funding as part of the Urban Villages Programme).

Minutes of Previous Meeting

2. The minutes of the May 2016 board meeting were approved (subject to two typographical amendments).

Chairman's and Directors' Business

3. GMcG noted that the process for reappointment of DMcC, MTM and GMcG was underway.

4. GMcG explained that he was in process of completing his one to one meetings with board members.

5. GMcG noted that he had attended a workshop held by the Executive Office for arms length bodies on the topic of outcomes based planning. He invited the views of the board on the new political arrangements and outcomes based approach and the implications for the work of SIB. FH said he was encouraged by the willingness of the Executive to accept shared accountability and the outcomes based approach. MTM said there was already some evidence in the FE sector of a change in emphasis. Similar approaches were likely to be relevant to across a wide range of infrastructure requirements, and SIB should be proactive in bringing this forward. KT noted the general feeling of optimism about the new executive, and that the new approach was understood and supported at the top level. DMcC welcomed the new approach. CT agreed that SIB should work positively with the new approach in preparation of the ISNI. DMcS said that the new political settlement provided a more stable platform for government. He welcomed the approach taken in the draft PFG framework, DMcS said he would welcome the opportunity to participate in a workshop to consider how SIB could help make it work through the ISNI.

BH said there was an appreciation at the top level of the need for strong leadership and more central direction to make the outcomes based approach work. .

BH identified an opportunity for SIB arising out of the new approach insofar as SIB has experience and an established method of working on a cross departmental basis.

Chief Executive's Report, ISNI Report, AMU Report

6. BH updated the board on some of the projects referred to in the Chief Executive's Report. In particular:

Arc 21: BH noted Antrim and Newtownabbey Borough Council's issues with the project.

Belfast Rapid Transit: BH explained that since preparing the report, the proposed change to traffic arrangements on the Falls Road had been dropped.

Legal Action: No statement of claim had yet been received in connection with the matter.

FH asked for more detail on the discussions on NI Water. BH explained the background and outcome.

DMcC asked if there had been any progress with PSNI in connection with RADAR. BH said there had not.

DMcS sought clarification on the Programme Management role being played with Causeway Coast and Glens Council. BH explained that SIB were assisting the Council with their Programme Management, not taking over responsibility for it.

7. The ISNI report was taken as read in light of specific discussion of ISNI to follow.

8. SW spoke to the AMU Report. He noted in particular

Reform of property management: a paper had been prepared on alternative funding models for properties division.

Investment Fund: SW noted that ONS were reviewing the proposals,

Asset Disposal: a "Public Land for Housing" project had been launched.

Departmental Asset Management Plans: SW noted that the Asset Management Forum relaunch in June had been well received.

Report from Audit Committee (including annual report to the board)

9. CT reported on the Audit Committee held immediately before the board meeting. He explained that the committee had discussed the NIAO report to those charged with governance. The points of note had been:

Financial Transactions Capital: Advice had been received from PwC on the accounting treatment of FTC, to the effect that there was a constructive obligation to repay the money even if strictly speaking there was no legal obligation. This had resulted in a change to the treatment previously adopted and the previous year's accounts also required to be restated. NIAO and EO were happy with this approach but DoF approval was awaited in order to allow NIAO to formally sign off the accounts, and the Audit committee proposal was that the board sign off the accounts subject to receipt of DoF approval.

Grants: NIAO had made a recommendation regarding the supporting documentation to be provided from grant recipients to evidence compliance with grant conditions.

Declarations of Interest: NIAO had identified one interest which inadvertently had not been declared. CT noted the importance of ensuring declarations were kept up to date.

10. BH read a prepared statement regarding a whistle-blowing episode.

Annual Report and Accounts

11. On the recommendation of the Audit Committee the board formally approved the Annual report and Accounts, subject to the DoF approval referred to above. CT recorded his thanks to the executive officers, and to the internal and external auditors. GMcG thanked CT for his work as chair of the audit committee.

ISNI

12. MS gave a short presentation on the preparation of the ISNI. He explained a number of key factors which would influence its final form.. MS explained that gross fixed capital formation in NI in recent years had been low by UK and international standards, although the proportion which was created by the public sector was relatively high. MS explained the problems arising from relatively low population growth and an ageing population, and potential role for new technology and data analytics to ensure the most efficient use of resources. There was a

discussion around the role the board could play in influencing discussions around the ISNI. GMcG said he would organise a workshop to discuss the ISNI, possibly as part of the next board meeting. MS said he would prepare a briefing pack.

Urban Villages

13. JH and SM joined the meeting and gave a brief presentation on progress with the Urban Villages programme. JH described the changes in personnel and structure of the UV team.

Finance Report and Media Pack

14. The Finance Report and media pack were noted.