

Strategic Investment Board

Chief Executive's Report – August 2013

SIB's Project Managers have provided their quarterly reports this month, so this paper comments on only the most significant issues.

PROGRAMMES AND PROJECTS

DESERTCREAT COLLEGE

The work on the revision of the Business Case is now complete and, as Colin's report makes clear, this demonstrates that the preferred option is affordable and offers the best value for money in achieving the stakeholders' business objectives. The Justice Minister has approved the appointment of the preferred bidder but the Health Minister has yet to confirm his support for the revised proposal.

STRATEGIC WASTE PROGRAMME

The NWRWMG has appointed its preferred bidder and work is continuing on the due diligence work that will lead up to financial close and contract signature.

HEAT PROGRAMME

SIB has prepared a resource plan for the development of the HEaT (Green Deal) programme that identifies the need for £1.1m of additional funding. OFMDFM has drafted a submission to Ministers seeking authority to commit these additional resources.

SUPPORT TO DEPARTMENT OF EDUCATION

DE has renewed its request for 2-3 additional programme managers to drive the delivery of its current schools programme. Wesley Emmett is working to define job descriptions for these posts. In parallel, DE has asked SIB to work on some 45 Economic Appraisals for high

priority projects with a capital value below £4m. To meet the Minister's requirements these must be completed by the end of the calendar year. Two Associate Advisers have been tasked to help with this work, under the direction of John Adamson. The Department has also asked SIB to consider providing a senior advisor to address deficiencies in the delivery of capital projects by one of the Education and Library Boards.

LISANELLY

As reported at the last Board meeting, Loreto College has joined the programme. This development was helpful in gaining DFP approval to the Phase 1 Business Case. The approved work encompasses the clearance and remediation of the site and the construction of the Arvalee Special School, which is required urgently following the destruction by fire of its current building. OFMDFM ministers indicated that they wish to organise a site visit as part of the G8 Investment Conference in October.

REGIONAL STADIUMS PROGRAMME

Crusaders' Football Club has withdrawn its application for judicial review of the decision to fund a new IFA stadium.

SOCIAL HOUSING REFORM

The recruitment process for the four senior posts within the Social Housing Reform programme has been completed successfully. Once final agreement has been reached with DSD on co-funding (the proposal is that DSD will contribute 40% of staff costs and 100% of consultancy costs) a submission will be made to the Remuneration Committee seeking authority to make the appointments.

UNITED COMMUNITY

'Moving Together – Building A United Community' has been re-branded as 'United Community'. OFMDFM provided SIB with £500k of additional funding to assist with the development of projects within the programme.

INI PFI BUYBACK

The successful 'buyback' of Invest NI's headquarters on Bedford Street gained considerable publicity. Michael Donnelly deserves considerable credit for his outstanding work on getting the deal over the line.

RESEARCH & OTHER STUDIES

INFRASTRUCTURE AUDIT // REVIEW OF COMMISSIONING AND PROCUREMENT

The first drafts of both the *Infrastructure Audit* and the *Review of Commissioning and Procurement* should be available for review by the Board at its September meeting.

GOVERNANCE, FINANCE & ADMINISTRATION

MOVE TO CARLTON HOUSE

A suitable car park has been identified on the Ormeau Road, a few minutes' walk from Carlton House. This provides c 35 places and will be for the sole use of SIB staff. The cost is lower than that for city centre car parks and will provide more flexible usage. DFP has agreed to fund this for two years as part of a wider agreement to meet any additional costs arising from the move out of Clare House.

Parking was the last issue to be resolved in respect of the move and the plan is for SIB to transfer its offices on the 6th September.

BUDGET FOR FY2013-14

This month's finance report sets out contingency measures that will bring down planned enabling expenditure by £380k, the cut required to ensure SIB remains within its existing budget.

The effect of the implementation of these measures would be to slow down delivery of the affected projects. Given the high priority of this work I hope that additional funding will be forthcoming from OFMDFM or the relevant customers. SIB will bid for such funds at the next monitoring round.

PAY SETTLEMENT FOR FY2012-13

DFP has approved SIB's proposals for pay increases for the FY2012/13. Arrears will be paid with August salaries. The Remuneration Committee agreed an approach to dividing the overall 1% pay rise that gave priority to:

- (a) Staff who had been in post for more than one year without a pay increase; and
- (b) Lower paid staff.

Staff not in post on 1 April 2013, including those who were then in different posts at a lower salary, did not receive any increase.

SENIOR FINANCE OFFICERSIB's Senior Finance Officer has resigned and will leave in September. He joined SIB over seven years ago as a part-qualified accountant. Having passed all his CIPFA exams he is now joining DARD as a Staff Officer. He has been a helpful and resourceful member of the finance team who will be missed.