

Minutes of a Board Meeting of Strategic Investment Board Limited

Held at 9.45am on Tuesday 18th September 2012 at
Clare House,
303 Airport Road West, Belfast

Present: David Dobbin (DD) (Chairman)
Frank Hewitt (FH)
Brett Hannam (BH)
Denis Rooney (DR)
Bro McFerran (BM)

Apologies: Chris Thompson
Geraldine McAteer

In attendance: Martin Spollen (MS)
Scott Wilson (SW)
Gregor Hamilton (GH)
Brenda Burns (BB) (Item 5 only)
Bronagh O’Kane

Declarations of Interest: FH declared interests in respect of his involvement with ILEX, NI Transport Holding Company and NI Science Park. DD noted his interests in Ulster Rugby and Belfast Harbour Commissioners. It was noted that no discussion relevant to these interests was anticipated.

1. Minutes of Previous Meeting

The minutes of the July 2012 board meeting were approved.

2. Chairman’s Update

DD reported that the panel had been agreed for the selection of the new Chairman.

He noted from a number of informal conversations that there was increasing interest among politicians and others in the potential of infrastructure investment in various sectors to create employment opportunities. SW noted that there is potential in housing sector to provide a stimulus by completing small scale transfers of houses in need of refurbishment from the Housing Executive to Housing associations, since the former has no capital available for the

purpose and the latter are able to borrow funds required for refurbishment. MS noted that this was an area where SIB had already done a substantial amount of work looking at the respective employment outcomes from different types of infrastructure investment.

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

BH noted that Executive had approved the ISNI on 3rd September and that it would be formally launched to the assembly shortly, either by a written or an oral statement. The latter would lead to a formal debate.

BH, MS and Leo McKenna were now carrying out a programme of briefing sessions on RFI (which is referred to in the ISNI) with Ministers, Special Advisers and senior officials in advance of the Budget Review Group meeting at the end of September.

BH noted that the MLK Chair and board had been announced on 10 September and that the appointments had been generally well received.

BH noted that the ESA legislation was expected to be approved on the 20th September and that the early approval of the legislation would be helpful in creating greater general confidence in the implementation programme.

BH updated the board in respect of the three waste projects, drawing particular attention to the difficulty potentially created for the Arc 21 project by the proposed 60% recycling target.

Finally BH noted that SIB had offered back £100k from the enabling budget in the October monitoring round. He explained that this had arisen mainly as a consequence of delays to procurements caused by backlogs in CPD.

DR noted the reference in the Chief Executive's report to a study into access to finance by SMEs and asked what eventual steps might be taken to improve access. BH and MS explained that at this stage the work was purely evidence gathering from industry, and that it would be for the Economic Advisory Group to determine what the next steps should be once the results were complete.

SW reported on the work of the AMU. He noted that following meetings with LPS and Stephen Peover the issue of delays to disposals arising from actual market price not meeting previous estimates (as discussed at the July board meeting) had been resolved.

SW reported steady progress towards the 2012/13 realisation target of £25.2m.

SW reported that Asset Management Plans had been completed by all Departments with exception of DHSSPS who had submitted a draft, and DoE who were only awaiting departmental board approval to formally submit.

SW reported good progress in relation to the creation of the central Asset Register. All office information had been collected (with exception of DHSSP). The “State of the Estate” report would be published in March 2013.

SW explained the positive role of the Asset Management Sub-Group of the PSG in the preparation of the Asset Management Strategy.

The board noted with approval the very positive engagement of DFP and other departments in the work of the AMU.

DR sought confirmation that the £16.7m shown in the AMU report against DSD Budget Re-allocation was fixed and SW confirmed that it was. DR noted that AMU should be mindful of other potential disposals such as any eventual disposal to the developer of land vested for the Royal Exchange project in Belfast.

MS spoke to the ISNI Implementation Report. He explained that the agreement and publication of the ISNI would provide the certainty required to allow departments to improve the quality of their input to the Delivery Tracking System. He explained that at a recent meeting with HOCS the CBI had once again emphasized the importance to the private sector of visibility of the projects pipeline. MS explained the progress made with departments in getting relevant information on to the DTS.

MS explained (1) the work being done on a comparative study across other countries and regions within GB and RoI to establish how infrastructure provision in NI compares and (2) the pilot work being done with DE on infrastructure optimisation. He explained that these fed into a more proactive approach to preparation of the ISNI in which SIB worked with departments on the preparation of their investment plans from inception rather than “adjudicating” amongst plans prepared independently by each department.

4. Report on Board Away Day

DD invited comments on the report on the board away day. There was consensus that the report accurately summarised the agreed actions. The next step would be to implement these.

DD noted that a general theme of the away day discussions had been the need for SIB to concentrate more on the strategic picture rather than simply processing a list of projects.

He added that second theme had been the need for SIB to take a “bottom up” approach to projects, taking account of community views and needs in addition to the views of sponsoring departments. BH explained that he had asked BB to prepare a toolkit on community involvement in infrastructure planning. DR noted that there were a number of excellent models for community involvement (eg the Ashton Centre). BH noted that the board would be discussing community involvement and social needs later in the meeting. DD agreed that this was an area which merited particular attention. FH observed that there were many sources of private sector and lottery funding in this area, but that there was little coordination among them. He drew attention to a meeting he had scheduled with the Minister for Social Development and to a forthcoming event which was intended to identify areas where there were gaps in provision and areas where there were overlaps/duplication in the activities of different funding organisations.

DD suggested that the discussion on the paper should continue at the next Board meeting, when members had had time to consider it in more detail.

5. Colin Town Centre Regeneration – Presentation and Report on Consultation Exercise

BB and Bronagh O’Kane joined the meeting and gave a presentation on the Colin Town Centre Regeneration Project – explaining in particular the manner in which the community consultation had been carried out, the benefits to the project of the consultation exercise, and the lessons to be learnt for projects in the future. BB drew attention to public transport/connectivity as a key issue to be resolved in order to permit the project to succeed.

The board discussed the issues raised in the presentation, focusing in particular on ways in which the connectivity issue might be addressed. The potential to obtain funding for an innovative scheme for electric vehicles was discussed. FH (having noted his interest in NITHCo) suggested that a direct approach to DRD might be the best approach to obtain funding.

6. Finance Report

The Finance Report was noted. BH noted that actual spend was now back on track with planned spend.

7. Media Update

The board noted the media coverage in relation to Ciaran de Burca, Irene Breen and Noel Molloy and their respective projects.

Chairman