

Minutes of a Board Meeting of Strategic Investment Board Limited

Held at 10.30am on 16th August 2011 at
Clare House,
303 Airport Road West, Belfast

- Present:** David Dobbin (DD) – Chairman
Geraldine McAteer (GM)
Frank Hewitt (FH)
Bro McFerran (BM) (Items 1-5 only)
Denis Rooney (DR)
Brett Hannam (BH) (Not item 2)
- In Attendance:** Gregor Hamilton (GH) – Company Secretary
(Not item 2)
Patrick McMeekin (Item 6 only)
- Apologies:** Chris Thompson

DR declared that he had an interest in the SS Nomadic, which had been mentioned in the board papers.

1. Minutes of Previous Meeting

The minutes of the June board meeting were agreed.

2. Non –Executives’ Meeting

The Non-Executive Directors held a short private meeting in absence of BH and GH.

The Non Executive Directors discussed the need to appoint a Chief Executive/Organisation head and the Chairman briefed the NED’s on recent discussions with OFMDFM Ministers and officials in relation to this. It was agreed that the organisation was currently operating well and that the recent appointment of a Head of the AMU and the pending return of Martin Spollen from the US after his Fulbright Scholarship would further strengthen the Senior Executive team.

It was agreed in view of current satisfactory arrangements and the need to reduce costs that the Chairman should investigate with OFMDFM options to manage the organisation with the existing Executive resources and not to proceed with the recruitment of a Chief executive.

3. Interim Chief Executive's Report

BH spoke to the interim Chief Executive's Report which had been previously circulated. The board discussed in particular:

Lisanelly: It was noted that there continue to be two key risks to the project. The first is that the required funding may not be made available. The second is that the schools the Department wishes to involve in the project may not agree to participate.

The board expressed concern that SIB was continuing to expend resources in the absence of firm commitment to the project from all of the schools. It was noted that in doing so SIB was carrying out the function requested of it by the Department of Education. It was suggested that the urgent requirement for commitment in principle from the schools should be flagged up with the Department.

Prison Service: BH noted that the Department of Justice had asked SIB to assist with the recruitment of a Strategic Change Manager for the NIPS.

The Museum Arts Centre: BH described the SRO role Bryan Gregory has taken on in respect of the MAC project. The board expressed concern that there might be a lack of suitably/sufficiently experienced personnel engaged in the governance of the organisation, and that this should be raised with DCAL in the interests of ensuring successful operation post construction. BH confirmed that Bryan Gregory was in regular contact with the Department. The Board asked that Bryan brief them on the project at its next meeting.

Bus Service Arrangements for Belfast Metropolitan College: BH explained the issue and how it had been resolved. The board noted the importance of reasonably priced and frequent public transport links to the college in the interests of maintaining

student numbers and minimising drop-out rates. It was also noted that this was an issue of wider significance to the whole of Titanic Quarter and to NISP.

Social Clauses: BH updated the Board on discussions with CPD re Social Clauses. The board expressed surprise at reluctance to adopt the Social Clauses Toolkit given similar practice widespread in other parts of UK, and strong political support. BH expressed confidence that the matter would be resolved shortly.

4. Draft Papers for Executive's Budget Review Group

The board discussed the draft papers and in particular the options set out for Mutual Companies and a Regional Investment Fund. The Board agreed that it would be appropriate to amend the reports to provide a stronger recommendation for particular courses of action, with specific sector proposals, rather than simply provide a menu of options. It was suggested that the reports include comparisons with structures employed in Scotland and Wales. BH agreed to amend the reports and re-circulate.

5. Report from Programmes and Projects Committee

BM reported from the P&P Committee. He noted that the committee had agreed its terms of reference and had approved a paper setting out the criteria against which it would judge requests for assistance.

BM drew attention to the fact that all three projects within the waste programme were working on affordability and VfM issues.

BM noted that eight new requests had been made for SIB support. The committee had approved all of them, (one on an 'in principle' basis).

5. Committees

The Board discussed the membership of its committees. DD agreed to join the remuneration committee and GM to join the Audit Committee.

6. Implementation of the Investment Strategy: Progress Report

Patrick McMeekin gave a short presentation on progress with the Investment Strategy. He then showed the Board examples of new reports that would show such progress from a number of perspectives. The supplier was in the process of

amending the DTS to produce these new reports and they would be submitted to the Board quarterly.

The board discussed Patrick's report and in particular the relative (across different sectors, and as against previous years) impact of the capital spend on employment. The Board noted that while it was not a function of SIB to favour sectors of capital spending which generated higher rates of employment, SIB had obtained the relevant statistical correlations.

The Board agreed that information should be made available to the market, so that contractors would be aware of the pipeline and upcoming opportunities.

7. Quarterly Dashboards and Finance Report

BH noted that progress was broadly on target, and that there was no risk of underspend. The board queried the substantial amount shown against "Bank" on the balance sheet, and BH explained that this was a timing issue. He said that the Balance Sheet was of limited utility given the nature of SIB's financing.

8. Meeting with First and deputy First Ministers

BH reported that the first and deputy First Ministers would meet the Board on 22nd September. DD said that members should keep 13th September free as it would be useful to have a board meeting in advance of the session with Ministers.

Chairman.

AUGUST 2011 BOARD – SUMMARY OF ACTIONS

Action	Owner	Status
Board to be briefed on MAC	Bryan Gregory	Arranged for October.
Update Draft Papers for Budget Review Group	Brett Hannam	Complete
Consideration of means of informing market of upcoming opportunities	Brett Hannam	Complete