

# Strategic Investment Board

## Chief Executive's Report – June 2014

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### **PROJECTS IN SUPPORT OF PFG OBJECTIVES**

#### *NICSC AT DESERTCREAT*

1. Work continues on identifying the most appropriate contract for the project and to reduce its costs.

#### *LISANELLY SHARED EDUCATIONAL CAMPUS*

2. SIB's development work on the PID, plan, Business Case update and procurement strategy is complete and was presented to the DE Permanent Secretary on 2<sup>nd</sup> June.
3. These plans are based on prudent assumptions. If those assumptions are changed and greater risk accepted then a lower cost prediction and shorter schedule would result. However, the experience of this project to date suggests that such an approach would not be justifiable.
4. Paul Sweeney and I will meet the Minister on 16th June to present and discuss these papers.

#### *REGIONAL STADIUMS PROGRAMME*

5. DCAL has asked SIB to consider providing additional support to assist the department with work on the delivery of a sub-regional stadiums strategy and a number of other, smaller projects.
6. In Belfast High Court on 22<sup>nd</sup> May Judge Treacy granted leave for a Judicial Review of the decision by The Department of the Environment to grant planning approval for the Casement Park stadium. Leave was granted on eight grounds including the stadium's height, size, traffic & travel implications and the use of the stadium for non-sporting events. A full hearing is likely to take place in September.

#### *SOCIAL CLAUSES*

7. The SIB Social Clauses Toolkit, which is designed to complement the extant Toolkit by extending its coverage to include the supply of services, went through an internal SIB peer review process. A revised and improved version, which will be web based, will be ready in September.

#### *PRISONS ESTATES*

8. DFP has approved the Outline Business Case for the development of a new 360 cell house block at Maghaberry Prison. This project will provide essential additional accommodation on the Maghaberry site for remand and short sentence prisoners. It will go a long way to alleviating the serious problem of c500 prisoners doubling in cells designed and built for single occupancy. It also represents the first step in delivering the recommendation made by the Owers Prison Review Team that the prison should be split into three 'mini-prison' areas; this will be the first of those areas.
9. A contract notice will be placed in the OJEU development of the tender documentation completed. This will enable DoJ to go to market for the procurement of a contractor to design and build the facility. The planned completion date is mid-2018.

*EDUCATION AND SKILLS AUTHORITY (ESA)*

10. SIB staff working on ESA have been redeployed to other tasks pending a decision on the way ahead.

*ARC21*

11. There is one more dialogue rounds to go before negotiations with the bidder are concluded and a call is issued for a final tender.

*NORTH WEST REGIONAL WASTE MANAGEMENT GROUP (NWRWVG)*

12. Following the recommendation of the NWRWVG Joint Committee to its member Councils that the project should be abandoned, and the subsequent decision of all seven to accept this recommendation; a letter has now been sent to the preferred bidder, informing them of the decision of the Councils and formally terminating the procurement process.

*MAZE-LONG KESH DEVELOPMENT CORPORATION*

13. The RUAS show was an exceptional success, with over 80,000 people attending.

*COLIN TOWN CENTRE*

14. Junior Minister McCann has asked Brenda, Wesley and me to attend a meeting with her and her opposite number, Jonathan Bell, on Monday 9 June. Denis McMahon OFMDFM has also been asked to the meeting. I understand that she wishes to discuss the status of the Urban Villages initiative. She is organising a similar meeting with DSD and BCC to which SIB has also been invited.

Brenda and I met Paul Maskey MP and Colin Stewart of the Colin Glen Forest Park Trust to discuss ways to support its £5m expansion scheme.

*BELFAST RAPID TRANSIT*

15. The DRD Minister made a major public announcement regarding the next stages of BRT. Press coverage was broadly positive (see Media pack).

## **OTHER PROGRAMMES AND PROJECTS**

### *GOVERNMENT DATA CENTRE*

16. Paul Wilson starts work next week in his role as Project Manager.

### *HEAT PROGRAMME*

17. DFP has asked for a Strategic Outline Case for the project and this will have been submitted by the end of May. Work has also begun on an Outline Business Case with a target submission date of end-July.

### *POULTRY LITTER SBRI COMPETITION*

18. DFP has approved the SOC that set out SIB's proposed approach to the Sustainable Utilisation of Poultry Litter Scheme.
19. Subject to sign-off by Ministers Foster and O'Neill during the next couple of weeks, it is our intention to launch the scheme in early June. InvestNI will request expressions of Interest from potential solutions providers.

### *THE SIEGE HEROES MUSEUM*

20. DETI and DSD Ministers will shortly announce that the £3.7 million renovation of the Apprentice Boys Memorial Hall and extension (to include the new Siege Museum) has moved forward with the appointment of a preferred contractor.
21. The building project is supported by a variety of funders including almost £2.4 million from the EU's PEACE III Programme, managed by the Special European Union Programmes Body (SEUPB) Peace III, a £1m grant from NITB and funding from the Apprentice Boys of Derry and NI Environmental Agency.
22. Lead partner Derry City Council has appointed the contractor on behalf of the Trustees of the Apprentice Boys Memorial Hall. It is expected that the build will begin in early summer.
23. The new Siege Museum, located in Society Street, will provide a 5000 square ft purpose built visitor centre detailing how the events of the Siege of Londonderry 1688-89 shaped the political landscape in Ireland/Europe. The project will also include works to the adjacent listed Apprentice Boys Memorial Hall, including disability access, mechanical & electrical upgrades and building fabric works. The two buildings will be interconnected, but retain their own self enclosed space. Interpretation will be expanded at the Visitor Centre to explain and contextualise the Siege and its commemoration.

#### *MEDICINES OPTIMISATION SBRI*

24. Thirty-two applications have been received for the Medicines SBRI competition. It is expected that some six-eight projects will attract funding.

#### *DUNLUCE CASTLE*

25. The Dunluce Castle project is thirteen months into a two year development phase that must be complete by 31st March 2015.
26. A detailed project programme has been produced and a review of the budget has been completed. This has resulted in a rise in costs, mostly attributed to an increase in the project's scope, scale and ambition since the initial HLF application.

#### *WIND ENERGY PROJECT (DARD/FOREST SERVICE)*

27. Kevin Hegarty presented his strategic plan for the wind energy project to Noel Lavery (Permanent Secretary, DARD). It was agreed that he should make a similar presentation to the DARD Minister in July.

### **REVIEWS, STUDIES AND SERVICES**

#### *USE OF FINANCIAL TRANSACTIONS CAPITAL (FTC)*

28. Patrick McMeekin organised a seminar for SIB, DFP and departmental staff to consider State Aid issues that may arise in the context of projects involving FTC. The main speaker was Stephen Moore, DETI's expert on the subject. Over fifty people attended what was a very informative event.
29. Patrick then organised a 'star chamber' at which projects considering the use of FTC were screened for State Aid issues by a panel from DETI, DFP and SIB. This was a useful exercise which clarified a range of issues and identified the need for further thinking in some areas.

#### *REVIEWS OF OPERATIONAL PFI PROJECTS*

30. John Green will attend a meeting next week with HMT and representatives from the devolved administrations to discuss this issue.

#### *REVIEW OF COMMISSIONING AND PROCUREMENT*

31. The June meeting of the Procurement Board will consider a draft paper setting out its sub-group's response to the Review of Commissioning and Procurement. With the Chairman's permission, I will table this report for discussion at the next Board meeting.

#### *INFRASTRUCTURE AUDIT*

32. The first thematic dinner will take place on 26<sup>th</sup> June. Directors wishing to attend should inform Helen.

#### *REVIEW OF ARMAGH OBSERVATORY AND PLANETARIUM*

33. The Permanent Secretary of DCAL has asked SIB to carry out a short review of the management arrangements at the Armagh Observatory and Planetarium. This will be complete by September.

### **GOVERNANCE, FINANCE & ADMINISTRATION**

#### *PAC HEARING*

34. The PAC hearing into the NIAO report on the future impact of RRI and PFI borrowing commitments will be held on 11 May.

#### *CORRESPONDENCE FROM DFP COMMITTEE*

35. The DFP Committee asked for comment from SIB on an Assembly Research paper report on the potential for the EIB to provide assistance to Northern Ireland. We provided a joint response with DFP.

#### *SIB REVIEW*

36. OFMDFM has passed me the draft terms of reference for the SIB Review. These are attached as an Annexe to this paper.

#### *HR MANAGER*

37. Ursula Doherty has been appointed as SIB's HR Manager. She has nearly twenty years experience working in HR roles in government. Since 2001 she has been Head of HR at Stranmillis University College in Belfast.

#### *NITB AWARDS*

38. City of Culture won three prizes last night at the annual NITB awards:
- 1) Best use of digital and social media;
  - 2) Best event experience (for the Fleadh); and

3) Outstanding contribution towards tourism in 2013.

Fiona Kane, Communications Director for CoC, deserves particular credit for the design and delivery of the festival's digital and social media strategy.

*SIB ENABLING EXPENDITURE DEROGATION*

39. Ministers have approved SIB's Enabling Expenditure derogation for 2014/15.