

Minutes of a Board Meeting of Strategic Investment Board Limited

Held at 10.30am on Tuesday 12th November 2013 at
Ilex URC,
Exchange House
Queen's Quay, Derry

Present:	Geraldine McAteer (GMcA) Chris Thompson (CT) Duncan McCausland (DM) Gerry McGinn (GMcG) (Chairman) Bro McFerran (BM) Marie Therese McGivern (MTM)
In attendance:	Gregor Hamilton (GH) Scott Wilson (SW) Martin Spollen (MS) Bryan Gregory (Item 6 only) Fiona Kane (Item 9 only) Mel Higgins (Ilex) (Item 10 only)
Apologies:	Frank Hewitt Brett Hannam (BH)

1. Minutes of Previous Meeting

The minutes of the October 2013 board meeting were approved (subject to rectification of typographical errors). It was agreed that all declarations of interest previously noted should be taken as read for future board meetings but would be specifically raised and dealt with where there was any potential conflict or issue in respect of a matter under discussion.

2. Chairman's and Directors' Business

The Chairman explained that the Chief Executive had been required, at short notice, to attend an Industrial Tribunal relating to his work with the City of Culture and was thus unable to be present.

GMcG explained that he intended to use the forthcoming strategy away-day as an opportunity to review where the organisation stands and the functioning of the board. In advance of that he was shortly to meet with Malcolm McKibben and Stephen Peover.

3. Chief Executive's Report

In BH's absence SW spoke to the Chief Executive's report. In particular:

Waste: SW noted that BH had held a constructive meeting with Leo O'Reilly and had discussed the risks and issues which SIB perceived in respect of the waste management projects. CT sought confirmation that both the PPP projects were still progressing and SW confirmed that this was the case.

Social Housing Reform: SW noted that there had been AQs regarding the staffing costs.

Review of Commissioning and Procurement: SW noted that the review had been discussed at the procurement board and that there had been greater enthusiasm from some quarters than others. GMcG noted that the implementation of the findings of the review would be one of the key topics for discussion when he met Malcolm McKibben, and at the away-day. CT suggested it would be helpful if Scott/Martin/Paul/Leo could come up with a draft of what an infrastructure plan might look like as a starting point for discussion. GMcG noted that discussion was needed as to whether SIB had capacity to resource all of the activities which it was likely to be asked to do. DM said it would be helpful if the board could have a briefing on the background to the report and reactions to it, with some options to consider for the board to progress matters.

West Belfast Projects: GMcA explained the review of capital projects in West Belfast and whose findings had been presented to West Belfast Partnership Board. GMcG asked what the follow up from the report would be and GMcA explained that a number of recommendations had been made and that additional resource would be sought from government to ensure that the projects were actually delivered.

Primary Care: GH updated the board on the progress of the procurement of the two primary care projects in Newry and Lisburn.

Lisanelly: The board welcomed the recent ministerial announcement launching the construction programme.

Innovative Provision for Elderly Care: DM explained the nature of the proposal to build ecocentred homes for the elderly within the MLK site. However he stressed that any progress on this would be dependent upon progress with development of the rest of the site.

4. AMU Report

SW reported on the AMU. He explained that they were only £120K short of target for the disposals programme for the year, with plenty of potential disposals in the pipeline.

Asset Management Plans had been received from all but two of the departments, although there were a number of issues being sorted out in respect of the plans provided.

SW noted that substantial pieces of work were being carried out with DARD and DoJ on efficiency projects, and that DFP were carrying out a review of the business case for the refurbishment of Dundonald House. He noted that it was hard for government to negotiate favourable lease terms given the general lack of suitable office space in the market. He explained that the possibility of using Financial Transactions Capital to fund streetlighting projects was being investigated with DRD.

SW gave details of work being carried out to support delivery of projects in the Asset Management Strategy, including the preparation of the Implementation Plan, the Reform of Property Management Project, and the establishment of a programme board in respect of Collaborative Procurement (in respect of which the requirement for further resource had been raised with DFP). SW noted that recruitment of Property and Finance Advisors was now complete for the Social Housing Reform Programme.

CT asked if there was a short form summary of the State of the Estate report, and SW agreed to circulate the executive summary of the report.

5. ISNI Report

MS presented his update on the work of the ISNI team.

He explained that the October Monitoring Round had seen approximately £36.8m of bids approved, mostly for roads expenditure but also DSD's Co-ownership scheme and the City of Culture legacy project.

From a longer term perspective, he noted the result of the Capital Budget exercise carried out over the summer to reallocate money likely to become available in 2014-15 as a result of delays in major projects (not least the A5). Over £500m of bids were received against an indicative funding envelope of £165m.

MS noted the publication of the CBI Report on infrastructure in NI, which he welcomed as a useful contribution to discussions albeit with rather too many “priorities”.

MS explained that in response to a call from the Assembly to publish a pipeline of infrastructure work, and in accordance with the recommendations of Paul Priestly’s report, a Regional Infrastructure Investment Pipeline was being prepared for publication. Ideally this would be published in time for the Infrastructure Seminar on 23 January but publication would more likely be later, since the document would require BRG approval, and BRG was not scheduled to meet until January.

MS explained that work was being done to test whether various projects would be suitable for the investment of Financial transactions Capital , including Belfast Transport Hub, Arc 21, Student Accommodation, University of Ulster city centre move, street lighting projects, and buying out existing PFI contracts.

MS noted that an all-party debate in the Assembly was scheduled for 19th November on “Effective Delivery of Major Infrastructure work”.

6. Desertcreat

BG joined the meeting and gave a brief presentation on progress with the Desertcreat Community Safety College project.

CT asked if BG was confident that the design team had been restructured in such a way that the authority could now be confident in its delivery. BG explained the changes which had been made and expressed his confidence that there was now a strong team in place which understood local conditions. He also noted that that the review process had been substantially strengthened.

BG explained that although the Health Minister had expressed support for the project, there would still be a requirement for Executive approval once the Guaranteed Maximum Price under

the contract was settled. MTM and DM noted that there was a significant risk if the key personnel in the three services did not maintain “buy-in” to the project, or if a change in key personnel occurred, at least until Executive approval was obtained. BG agreed but said that he had noted a positive change in attitude generally over recent weeks and he believed the project now had more momentum.

7. Finance Report

The Finance Report was noted.

8. Media Pack

The contents of the media pack were noted. GMcG queried whether there was anything expected to attract media attention. SW said social housing was likely to be an area of interest.

9. Communications Strategy

FK joined the meeting and gave a brief explanation of the communications strategy as set out in the board papers. She explained that SIB’s communications activities were largely directed through OFMdfM or other Departmental/project teams in respect of individual programmes and projects, rather than centrally focused on the activities of SIB itself.

CT expressed the view that the strategy was fine so far as it goes, but asked if there was a requirement to be more proactive in our communications regarding certain matters. BM agreed.

DM suggested that stakeholders should be identified by category rather than individually naming them, in order to ensure the list was comprehensive. FK agreed. While acknowledging that board members (other than the Chairman and Chief Executive) were unlikely to have any role in communicating with the media, DM suggested it would be helpful if they could be provided with appropriate “lines to take”. MTM agreed that it would be useful for board members to know any key messages which they could be expected to transmit.

GMcA emphasized that SIB's function was to get things done, not promote itself for its own sake although there was a proactive role in staging conferences and events to stimulate debate on methods of delivering infrastructure. GMcG noted that "thought leadership" was certainly part of the organisation's brief.

It was agreed that the Communications Policy should be reviewed annually.

The board approved the Communications Strategy in principle, and agreed that more detailed consideration could be given to it at the away day.

10. Update on Work of Ilex

MH joined the meeting and gave a presentation on the work being carried out by Ilex.