

BOARD MEETING 8th AUGUST 2017

Fintru House at 10am

Present:

Gerry McGinn (GM)
Duncan McCausland (DMcC)
Kathryn Thomson (KT)
Danny McSorley (DM)
Brett Hannam (BH)
Scott Wilson (SW)
Martin Spollen (MS)
Patricia Mallon (for presentation only)

Apologies were received from Marie Therese McGivern.

Declarations of interest

D McC made a new declaration of interest. He has been appointed as a Non- Executive Director on the Board of the Department for Communities.

Minutes of the June Board Meeting

DM reconfirmed that he was present at the Board meeting in June. Subject to a couple of minor spelling errors, the minutes of the June Board meeting were approved.

Chairman and Directors' Business

Future Accommodation for SIB

BH confirmed that SIB will need to move accommodation in the near future. Initial information has been supplied to DoF regarding numbers of staff. The offer of relocating to Clare House was deemed inappropriate as it would have split staff across different floors. Negotiations are continuing with Fintru as to the length of time SIB can continue to occupy Fintru House. KT pointed out that any move should be subject to the requirements that are set out by AMU, in order to follow best practice.

Additional Non executive appointments to SIB Board

In the absence of Ministers, the appointments have not been signed off. The risk is that the two appointees may withdraw their applications or look elsewhere. BH confirmed that he regularly seeks updates from TEO on this issue.

Impact of recent Grenfell Tower fire on building safety

DM raised the question of the impact that the recent fire in the Grenfell tower block might have on local construction projects. SW drew attention to his report which discussed this issue.

Update on the SIB review report

A draft report is expected to be received by TEO at the end of August. The Board should consider the findings in October, and integrate it into a discussion on corporate planning at a workshop that would be held instead of the normal November Board meeting.

Board Apprentice

The Board apprentice has been recruited through the scheme and the trainee will begin to attend Board meetings from September.

Audit Committee Matters

As Audit Committee Chairman, DM noted that it would be useful for him to review declarations of interest procedures. The SMS scam that had been dealt with previously had arisen again.

Chief Executive's Report

BH spoke to his report.

The Board took the report as read and asked questions of the Chief Executive.

KT asked whether or not the Chief Executive thought that once capital funding was allocated it would cause a sharp increase in work for SIB. Neither BH nor SW thought this would be the case. There is still uncertainty around the timing of the movement of capital funding.

Urban Villages: TEO have decided not to replace the local co-ordinators with SIB appointed staff.

A discussion ensued regarding the Cole Report into building safety and remediation works. DM asked what SIB's role might be in certain projects with regard to safety and building inspections. BH confirmed that conversations have been held with CPD, through which assurance has been given that the NICS Board are considering the implications of the report for building safety and regulations. The Board noted its ongoing concern about assurance standards and any implications which new regulations may have for the role of SIB in project assurance or project management of construction projects. The Board noted that the Scottish Government is to publish guidance on where responsibilities lie for the governance of projects and building inspections. It may be prudent for NI to do the same. Even if SIB do not have direct responsibility for safety checks, it might be appropriate for project managers to ensure that they are sharing

their expertise and knowledge with those who do have such responsibilities, (eg Housing Executive, Departments, CPD).

ISNI Report

Investment Strategy Update

MS spoke to his report on ISNI and explained that his role is now to monitor progress and keep the channels of communication open with Departments. The ISNI now sits with TEO.

Work is underway on the Fosses Road – (A6 and A5).

MS agreed to update DM on the environmental requirements and approval processes for the A5.

Data Analysis work

MS's work is mostly now on data analysis for the Education Authority. Other current projects include collecting commercial data for the DVA, building an innovation dashboard for DoF and support to the Charity Commissioners. Some common areas of concern include data collection quality and capacity, and data sharing agreements. A short discussion followed regarding how this work might drive local development of the required skills and how the conclusions from evidence led scenario-planning might contribute to the outcomes-based programme for government.

AMU Report

SW spoke to his report (which was a copy of the AMU submission to the NICS Board). He highlighted the following points:

- The Asset management strategy was approved at the recent NICS Board.
- Invest to save projects may increase in importance, as less capital money is drawn down.
- The one-year budget has implications for the energy programme which is being led by Kevin Hegarty.

Quarterly Reports and Dashboards

The Board looked at the broad outline of political implications for projects.

Brett Hannam identified six types of impact which the lack of Ministers is having on SIB projects and work plans;

This risk may arise through:

- (a) 'Stop/Go' decisions not being taken at the appropriate time
- (b) An inability to commit funds to projects when required
- (c) An inability to prioritise between projects
- (d) A lack of clarity in respect of project objectives
- (e) a reluctance to initiate new projects or develop project proposals
- (f) a lack of developed policy

The possible impact of this risk arising will be:

- (a) Delay to major projects;
- (b) A pause in the delivery pipeline leading to a hiatus in later years;
- (c) Increased costs through inflation and nugatory spend on maintaining project teams;
- (d) Reputational damage
- (e) Damage to the construction industry.

The Board wished to note that by identifying the above risks to SIB projects and work planning, they were content that they covered the 'red' and 'amber' risks of the lack of Executive.

The Board raised the following points about specific project reports:

Strule Shared Education Campus

DM asked about the elongation of the project timetable and whether the recent DUP/Conservative agreement could be of benefit to the project. BH informed him that there may be some flexibility of how the money can be allocated to shared education projects, but this is still subject to negotiation.

3PD Primary Care

Are there any lessons to be learned which might be useful to disseminate to other project managers? BH said that it may be better to wait until the current process is concluded.

ARC21

The Board were satisfied with the discussions regarding the risks of this on previous occasions, but DM suggested that the elongated time for planning permission decisions should be highlighted.

Belfast Transport Hub

The Board noted the risk of inflation on this particular project.

Circular Economy

It might be useful for the Board to discuss the impact which Brexit may have on this particular project.

Work with Local Councils

DM noted the significant amount of SIB work in Derry City and Strabane Council and considered the effect this might have on other Councils who may wish to engage SIB to the same extent.

Medical School at University of Ulster

The business case for this is due to be completed over the next few weeks. The request for SIB to complete this from the then Minister, highlighting the importance of the project to the local area.

SIB Risk Register

Duncan McCausland suggested the inclusion of lack of an Executive in the risk register. A first day briefing document for Ministers who do come into post which explains the context of SIB would be useful. BH noted that this had been prepared.

Urban Villages could now be removed from the risk register, as the risks of the 2016/17 financial management has now passed.

Following a conversation around the emerging findings of the SIB review, Kathryn Thomson suggested that the risk register should be updated in due course with any particular issues relating to manpower planning that the review might identify.

The Board were content with the Chairman's proposal to use the November Board meeting as a workshop to focus on corporate and resource planning.

Presentation from Patricia Mallon on the Strategic Support Unit

The Board received a presentation from Patricia Mallon, Head of the Strategic Support Unit which detailed the following points:

- The origins and growth of the unit;
- How associate advisors are recruited and retained;
- Examples of assignments that they undertake;
- An analysis of income and levels of demand.
- An explanation of how work packages are arranged.

Finance Report and Media Pack

DMcC asked whether there would be an underspend arising from the non-appointment of two NEDs. BH assured him that their absence was accounted for in the budget.

No further issues were raised by the Board.

Remuneration Committee Report

GM and DMcC and Gerry McGinn reported back to the Board on the work of the remuneration committee, a meeting of which had been held before the Board meeting.

Associate Advisors Employment Contracts

The committee had approved the paper presented by Ursula Doherty on the process for making ASAs permanent employees.

Statutory Requirements for Gender Pay Reporting

Ursula Doherty is to present a draft report for the committee in due course, pending the new legislation which is planned for implementation in NI.

SIB Pay Remit (2016/17)

A paper will be presented to the committee in due course which will present the options for consideration of how the pay remit should be distributed throughout the organisation. Part of the decision will be based on the inclusion of associate advisors in the calculations and consideration of how that might impact a *de minimis* payment for all other staff.

Core Funding/Income

HR and Finance managers will present a report to the committee in due course, which will outline the balance of fixed costs/core funding and recharges. The committee will

then consider ways in which the risks of managing potential decreases of SIB income can be managed.

Formal Approval of Salaries and Responsibility Allowances

The committee formally approved all its decisions taken by written procedure.

Any Other Business

No other business was raised.

Chairman.