

Minutes of a Board Meeting of Strategic Investment Board Limited

Held at 9am on Monday 17 February 2020 at
9 Lanyon Place
Belfast

Present: Gerry McGinn (GMcG)(Chair)
Duncan McCausland (DMcC)
Danny McSorley (DMcS)
Brett Hannam (BH)
Marie Therese McGivern (MTM)
Kathryn Thomson (KT)

In attendance: Martina Byrne (MB)
Gregor Hamilton (GH)
Martin Spollen (MS) (absent for Item 11)

Declarations of Interest

1. The previously stated declarations of interest were confirmed.

Minutes of Previous Meeting

2. The minutes of the January 2020 board meeting were approved.
3. With regard to actions outstanding from the January board, GMcG and DMcC noted the need to review board training in accordance with the proposed Partnership Agreement. Board members were encouraged to maintain their own training logs.
4. With regard to actions arising from the Strategy Day, the board noted and approved the list prepared and circulated by BH, subject to the deletion of Item 7 and the addition of an action for the Board to review the implementation of the actions arising from the SIB Review (including implementation of the reorganization) in September 2020.

Chairman's and Directors' Business

5. GMcG asked whether SIB was in a position to offer executive coaching. BH confirmed that there were three employees able to provide this service but it was currently available only internally, not offered externally.
6. GMcG explained that he had been asked whether SIB would continue its involvement with the Boardroom Apprentice scheme. He explained that while he was supportive this in principle, he was reluctant to commit on behalf of his successor as Chairman. The board agreed that it was better not to definitively commit at this juncture.
7. GMcG explained that he had attended a workshop with TEO on Partnership Agreements. He noted that the principles of partnership and earned autonomy had some way to go before they translated into practical change. KT agreed that a cultural change would be required to implement the new principles. DMcC noted that the agreements required an annual self-assessment by the Audit Committee.
8. GMcG explained that he would be meeting TEO to discuss the process for the board appointments, and that he would be emphasizing the need to ensure a broad range of skills on the board. He would report to the board on progress at the March meeting.
9. DMcC gave the board a brief report on matters which had been discussed with the TEO Audit Committee.
10. GMcG reported on a seminar he had attended on crisis management and circulated papers relating to this. DMcC emphasized the importance of prior preparation and planning and the building of trust. He reported on a meeting of TEO Audit Chairs and drew attention to a briefing he had attended on cyber-security given by the NI Cyber Security Centre.

Chief Executive's Report

11. BH updated the board on progress with the implementation of the Senior Leadership Team proposal. He explained that TEO had sought confirmation from DoF that DoF's consent was not required to the implementation of the proposal, but that until this confirmation was received TEO were unable to give its opinion on the proposal. Nevertheless SIB was proceeding with the appointments process on a provisional basis, keeping TEO up to date with this process.

12. MS withdrew while BH updated the board on the applications process. He noted that the shortlisting process was complete and that he expected (subject to TEO approval of the SLT proposal) appointments to be made by mid-March.
13. BH updated the board on certain specific matters from the CE Report.
14. BH noted that expenditure was expected to be within 0.5% of budget.
15. BH explained that the draft Terms of Reference for the board and its committees had been circulated for review and invited comments. It was agreed that Communications would be considered by the Board as part of its normal business and the committee dissolved. DMcC observed that it would be preferable if the chair of the Audit Committee did not sit on the other committees. BH would circulate final versions of the Terms of Reference for approval by written procedure. The Board would consider the contents of future Board packs in March.
16. DMcC undertook to ensure that the internal audit plan would include a review of the organisational restructuring.
17. DMcS noted the reference at item 19 of the CE Report to a further review of the Casement Park project.
18. DMcC noted reference in the CE report to BH's appearance at the PAC in relation to the NIAO Report into capital projects delivery. He asked if there were any issues where SIB was specifically exposed. BH explained the nature of the matters likely to arise, being (i) failure to implement recommendations of the SIB and OECD Reports (ii) causes of delays to projects and (iii) specific case studies. BH said he would keep the board informed if he became aware of any issues specifically involving SIB.
19. KT enquired as to progress with the draft ISNI and the role played by SIB in its preparation. MS explained that this was under discussion with TEO, who currently envisaged a one year plan from end of March 2020 (to reflect the broader budget timetable), with a longer-term plan to be prepared during the year.
20. GMcG asked that the board specifically discuss the projects listed as "red" on the Major Projects Status Report.

Finance Report

21. BH confirmed that SIB was still expected to finish the year within TEO's specified underspend tolerance. DMCC asked whether BH would like to be able to generate and retain a surplus in future years. BH said that SIB was currently limited to recovering its costs and there might be risks in becoming dependent on departments and other clients when they were themselves under budgetary pressure.

Media Pack

22. DMCS noted the content of the media pack regarding a regional shortage of construction skills. BH noted that the higher costs and fewer bidders on NI capital projects were the consequential problems. Market capacity would need to be taken into account in the discussions on the ISNI. MTM noted that this was also a risk for the City Deals, which had substantial construction elements. While a new skills strategy for Northern Ireland was under discussion, and the industry was aware of the problem, this had not yet resulted in tangible action.

Draft Letter of Expectation

23. The board approved the draft Letter of Expectation, subject to certain minor amendments. BH explained that there might be further changes in the light of conversations he would have with TEO and the new SpAds.

Business Plan

24. BH noted that in the absence of a clear budget picture it was not possible to finalise the Business Plan. DMCC suggested a number of minor changes to the draft, with which the Board was content.

ISNI

25. The ISNI team reports on Climate Change, Technology and Demographics were deferred for discussion in March.

Chair

ACTIONS OUTSTANDING FROM PREVIOUS MEETINGS

Ref	Action	Person Responsible	Expected Completion Date
1/20/1	Update Directors' report in respect of D McSorley non-attendance at December Board meeting.	Brett Hannam	May 2020
1/20/3	Record training by Board Members in personal logs.	Board Members	May 2020
1/20/5	Chairman to write to Mark Browne in respect of SLT proposal.	Gerry McGinn/Brett Hannam	Awaiting clearance by TEO

ACTIONS FROM FEBRUARY 2020 MEETING

Ref	Action	Person Responsible	Expected Completion Date
2/20/1	Amend note of actions arising from away day	Brett Hannam	March 2020
2/20/2	Amend draft Letter of Expectation	Brett Hannam	March 2020
2/20/3	Amend draft Business Plan	Brett Hannam	March 2020
2/20/4	Circulate Board and Committee Terms of Reference for approval by written procedure.	Brett Hannam	February 2020
2/20/5	Review contents of Board pack.	Chair	March 2020