

Minutes of a Board Meeting of Strategic Investment Board Limited

Held at 10am on Monday 20 April 2020 by videoconference

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

In attendance: Gregor Hamilton (GH)

Declarations of Interest and Board Terms of Reference

1. The previously stated declarations of interest were confirmed. MTM noted for the record that she was now on the board of Invest Northern Ireland.
2. The new board Terms of Reference were noted.

Minutes of Previous Meeting

3. The minutes of the March 2020 board meeting were approved.
4. KT and DMcS noted that they had each now received e-mail confirmation of their re-appointment. KT's term has been extended to 28 February 2023, DMcS to 30 April 2023.
5. BH explained that TEO were still awaiting DSO advice before considering granting approval of the management allowances.

Chairman's and Directors' Business

6. DMcC explained that he had met NIAO on 24th March. SIB was unable to avail of the dispensation afforded to Departments to submit 19/20 accounts with 20/21, although as a limited company it was permitted an extra 2 months until end February 2021 to submit accounts to Companies House. In any case the accounts were due to be finalised and signed off on the

original schedule, and he proposed that the Audit Committee meet to finalise accounts in May and to formally sign off on them in June (with GMcG and DMcS in attendance on both occasions so as to avoid the need to repeat the explanations necessary to allow the board to formally sign off).

7. DMcC noted that the new Partnership Agreement would require the creation of a Board Code of Conduct, which would be included in the Partnership Agreement and in the Directors' terms and conditions. BH explained that the draft Code of Conduct was with TEO for approval.

8. KT explained that she had attended a CEF videoconference regarding corporate governance in the current environment. She noted that NIAO were prepared to be flexible regarding changes to normal practice, but had emphasised the importance of maintaining clear approval processes.

9. GMcG reiterated to all the importance of returning completed Declarations of Interest forms to Sam Pringle.

Chief Executive's Report, ISNI Report

10. BH updated the board on certain specific matters from the CE Report. He noted in particular the work being done by SIB staff in supporting the NICS Hub to manage the Covid-19 response and in identifying and agreeing terms for short term accommodation. He explained that 9 Lanyon Place was itself to be used as Hub accommodation.

11. BH explained that the NIPSSN project included as "red" with the board papers was now "green" as all sites had been delivered by 31 March.

12. BH noted that recommendation 12 of the RHI Report had been that NICS should consider how SIB expertise could be better utilised.

13. GMcG asked if there was any indication from NICS of work being commenced to consider a strategic approach to recovery once the current period of initial response to Covid-19 was over, noting the potentially very large role of infrastructure investment in restarting the economy. BH said he was unaware of such work. [Secretary's note: shortly after the meeting, BH received briefing material that demonstrated such work had begun.]. DMcC noted the importance of carrying out scenario planning in this context.

14. DMcC queried the funding of the salaries of the staff seconded into the Hub. BH explained that, like staff from the civil service, SIB staff were still funded by their parent organisation.

15. DMcS noted the reference in the CE report to Fermanagh and Omagh Council seeking to delay the commencement of Project Stratum pending inquiry into prioritization of properties in Fermanagh.

16. BH noted that the major development in relation to ISNI was the new budget, which included £1.6bn of capital expenditure. However he also noted that this would now likely be amended in the light of current events.

Covid-19 Risk Assessment

17. BH explained the Covid-19 Risk Register. He noted that no member of staff was as yet reported to have contracted the corona virus. The biggest issues for staff had been around communications and the effectiveness of IT, although those issues had now been substantially resolved or were being addressed. The major impact on SIB supported projects had so far arisen from suspension of work at construction sites. He noted evidence of an increase in activity over the previous week. In particular he noted that work on the Ulster University campus was continuing, albeit at a reduced level of activity. He identified the principal risk going forward as the potential loss of key personnel as outlined in the Risk Register. While alternative arrangements had been identified for almost all staff, in a few cases it would be difficult to find replacements.

18. DMcC asked what would happen if SIB's "normal" activities recommenced while staff remained seconded to the Hub. BH said for the moment the priority would remain the Hub.

19. DMcC asked if the Business Continuity Plan had been formally implemented. BH said that it had, and the arrangements for remote working had been implemented in accordance with the plan.

20. DMcC noted the importance of learning from current experience and considering what opportunities arose from current exceptional situation. He suggested that a lessons learned register be maintained and that the Remuneration & Personnel Committee would have a role in horizon scanning and scenario planning in relation to the deployment of SIB staff.

21. It was agreed that the main SIB risk register should continue to be operated and reviewed as normal, but should refer to Covid-19 which would be reviewed on its own register. The board formally approved the Covid-19 Risk Register.

NIAO Report and PAC Hearing on Delivery of Major Projects

22. BH explained the principal findings of the NIAO Report, being (1) all 7 flagship projects are over budget and late (2) costs across 17 major projects were 25% over budget and (3) various previously identified weaknesses in the way major investment projects were carried out had not been addressed.

23. BH outlined the responses which NICS had provided to the NIAO report.

24. MTM noted the importance of keeping pressure up to improve the procurement process. There was general agreement that SIB had a role to play in this and that exiting from the current difficulties might present an opportunity to make improvements. GMcG said he would liaise with BH as to how this issue could be considered at the May board meeting.

Finance Report

25. BH noted that expenditure for FY 2019-20 was well within the tolerance, and commended the work of the finance team.

Media Pack

26. The contents of the media pack were noted.

Next Meetings

27. It was agreed that next meetings would be 12th May and 15th June, and that these would be combined with meetings of the Audit Committee as per Item 6 above.

28. It was agreed that the Remuneration & Personnel Committee should consider horizon scanning / scenario planning in relation to the deployment of SIB staff.

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	Suspended
1/20/5	Chairman to write to Mark Browne in respect of SLT proposal.	Gerry McGinn/Brett Hannam	Awaiting clearance by TEO

ACTIONS FROM APRIL 2020 MEETING

Ref	Action	Person Responsible	Expected Completion Date
4/20/1	Remuneration & Personnel Committee to consider horizon scanning/scenario planning in context of Covid 19.	Chair	Summer 2020
4/20/2	Board to discuss ways to improve procurement of major capital projects.	Chair	May 2020
4/20/3	Risk Register to incorporate reference to Covid-19 Risk Register	BH	May 2020