

STRATEGIC INVESTMENT BOARD
MINUTES OF THE 18th MAY MEETING

Present

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

In attendance

SIB Social Infrastructure Programme Advisors:

Mary McKee
Stephen McGowan
Kenny Knox
Adele Browne

Martin Spollen (SIB) ISNI update

Apologies

None

Declarations of Interest

Previously declared interests were confirmed. There were no new declarations added.

Board Terms of Reference & Board Papers

The Board Terms of Reference were confirmed. Board members confirmed they had read the Board papers.

1. MINUTES OF THE APRIL MEETING

The Board approved the minutes of the April meeting, subject to two amendments.

Following a short discussion, the Board agreed that an escalation action plan would be a useful tool to have in place, to facilitate a clear way of raising concerns about lengthy project delays.

BH was asked to prepare a paper for the next Board meeting. The purpose of the paper is to set out the rationale and make proposals for a process of escalation that the Board can follow to take action on projects which have a longstanding red or amber status.

Review of Action Points from the April meeting

BH Meeting with Chris Stewart: Action completed.

BH met with Chris Stewart, (recently appointed AO in TEO with responsibility for SIB) on 23rd April. Brett briefed Chris on current SIB work and the rationale for restructuring. It had been agreed with Chris that he and Brett should speak jointly to Colum Boyle (recently appointed Acting Permanent Secretary in DoF) to discuss a way forward with the implementation of the reorganisation.

Board Training and Review Meetings with Chair

GMcG asked that Board members keep records of training and networking events. It would also be useful to progress a form of board training or team building exercise for the incoming Board members. GMcG will organise one-to-one review meetings over the next month.

Board Induction Pack

Preparation work has been carried out by Sam Pringle and a bank of documentation is ready for new members when they are appointed.

Chair Recruitment Competition

In progress with TEO. No confirmation when the competition will open.

2. CHAIR AND DIRECTORS' BUSINESS

Next Board meeting

GMcG confirmed that the June Board meeting will be held by videoconference. He hoped that the Board can convene for a face to face meeting in August or September.

June Audit Committee

The June Audit Committee will also take place by videoconference before the Board meeting starts. There will be one key agenda item– the recommendation to the Board that

it should approve the annual Financial Statements and Report. To avoid repetition, all Board members are asked to attend the Audit Committee meeting.

Board & Audit Committee Effectiveness Surveys

DMcC agreed to circulate the Audit Committee and Board annual effectiveness surveys and asked Board members to complete and return them by 31st May. The comments will be collated to be presented and reviewed in the August Board meeting.

Other Matters

DMcC asked for the SIB Sustainability Policy to be scheduled for presentation to the Board when it is ready.

KT asked whether there was any update on the Executive's proposed review of ALBs. BH informed the Board that he had no further information about the timetable of this or whether SIB are to be included in the review. [Secretary's Note: The Minister of Finance subsequently told the Assembly that he had submitted a paper to the Executive proposing that Departments should decide themselves whether and how to review their ALBs.]

BH reported a slight increase in the core budget provided by TEO.

3. BOARD GOVERNANCE AND TRANSITION

2021/22 Business Plan

BH highlighted two significant changes from the previous version: the actual budget figures have been inserted instead and the signed Letter of Expectation replaces the draft.

DMcC asked whether the proposed new structure should be shown in the plan if the required approvals are not in place. BH recommended keeping the current wording to reflect that a change in structure has been endorsed, despite the implementation of the SLT and the related allowance still not having been agreed by DoF.

DMcC noted that an internal audit of the new structure would be undertaken six months after implementation.

The Board was invited to make final comments or suggested amendments to the draft business plan. There being no further changes, the plan was approved.

4. UPDATE FROM AUDIT COMMITTEE

DMcC reported on the Audit Committee held before the Board meeting.

Review of Risk Register and Covid-19 Risk Register

A new risk had been added covering the reputational risk arising from delayed projects.

Although the pandemic situation has considerably improved, the Covid-19 risk register will continue separately from the main SIB risk register for the time being.

Review of Financial Statements and Report.

GMcG asked that the impending switch from LIBOR to SONIA be reflected in SIB's planning.

The accounts will be presented for formal sign off by the Board at the next meeting (15th June).

Internal Audit Plan 2021-22

The internal audit plan provides for reviews of Cyber security, GDPR, organisational structure and FTC.

Committee Effectiveness Survey

DMcC will issue committee members with the Effectiveness Survey.

Private Meeting with the Auditors

No concerns required a private meeting with the auditors.

5. CEO REPORT

The report was taken as read by Board members. BH drew attention to the following points:

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SRC Craigavon Campus

The Minister of Economy has written to Ministry of Justice drawing attention to the 15-month delay in the judicial review case.

ISNI Engagement with stakeholders

An official in the Taoiseach's office had requested a meeting to discuss infrastructure. TEO and Special Advisors had been briefed about the meeting.

CEF Correspondence on Construction Cost Inflation

BH reported on correspondence from CEF containing data on the increasing costs of construction materials and the impact of this for contractors and bidders.

In response to questions from the Board, BH noted:

- Demand for work has been steadily increasing for the Strategic Support Unit. BH reported continued positive customer feedback.
- The refreshed membership of the Procurement Board includes industry representatives. A sub group on capital projects has been set up which BH attends. BH has been asked to prepare papers for the next Procurement Board meeting on

increasing the visibility of investment pipeline and ways of collecting and analysing performance data on the delivery of projects.

Board Members made the following observations:

- KT commended the recent SSU report on DfC Procurement. It was very useful and had been well-received.
- MTM referred to the Fishing and Seafood Development report produced for DAERA and asked whether the impact of Brexit on the NI fishing industry might affect plans for investment. BH noted that the report covers a wider scope than just the fishing industry. The report identifies potential investment in the wider infrastructure of Kilkeel and Ardglass and notes the opportunities arising from Brexit.
- MTM noted that the City Deal governance structure is complex and involves a lot of interaction between NI government and HMT in London. DMcS welcomed the engagement with the Irish government on ISNI.
- Regarding the correspondence from CEF on rising construction costs, DMcS suggested that this evidence could be presented to SROs of projects which face long delays to indicate the costs which are incurred by such delays.
- DMcC pointed out that a climate change unit funded by DAERA, but housed within SIB, would have advantages and disadvantages that should be carefully considered before any decision was taken.
- DMcC congratulated the Urban Villages team on the construction of the Top of the Hill community centre.

6. SOCIAL INFRASTRUCTURE GROUP REPORTS

The Board received written reports and verbal presentations from the 'Social Infrastructure' group of team leaders and project managers.

Mary McKee described how SIB has led work on embedding social value across all government departments and contracts.

Stephen McGowan spoke about how the Urban Villages programme has improved the physical infrastructure of each of the UV areas, in addition to building the capacity of residents living in these communities.

Kenny Knox updated the Board on the Social Investment Fund.

Adele Brown updated the Board on the progress of the Transforming Communities & Tackling Paramilitarism cross departmental programme.

Board Members' Comments and Questions

Board members' comments focused on four areas:

Continuity

It is important that continuity is maintained to ensure that capacity and trust are built up and to avoid creating vacuums/gaps within the programmes which could be taken advantage of by coercive groups within communities.

Sustainability

The sustainability of the Social Investment Fund is important so that outcomes for the communities can be maintained when the funding finishes. Kenny Knox reported that discussions have already taken place between TEO and other departments which could possibly renew revenue streams, so gaps are not created and momentum is not lost.

Timely Funding Decisions

Timely funding decisions would benefit all the programmes. Stephen McGowan reported that funding has now been approved and allocated for the current year.

Other Observations

- All the UV projects are underpinned by good relations indicators. Some of the indicators are designed by the community groups themselves.
- Pilot projects which demonstrate achievements can build community capacity.
- Measurable impacts of tackling Paramilitarism – interventions to reduce incidents of harm – are important.
- Some programmes (UV/Communities in Transition) have similar indicators, and this enhances the outcomes (everyone working towards the same PfG outcomes).
- Social Value - Qualitative data is available, but also personal stories of success, which perhaps could be used in communications with stakeholders to illustrate the impact on improving lives.
- Mary McKee noted that there are enablers/champions of embedding social value in the public sector who are advocates for cross departmental collaboration.
- The role of Councils in building community capacity and sharing knowledge has also been invaluable in these projects.

The Board thanked the four advisors and commended them on their successful work. The Board confirmed their continued support for their work and noted these projects deal with the most complex societal issues.

7. ISNI

Martin Spollen (MS) presented an update of progress on ISNI, illustrating the five emerging themes:

1. Support a strong, connected and competitive economy
2. Decarbonise our economy and society
3. Maximise benefits from emerging technologies
4. Tackle disadvantage, address imbalances and promote equality
5. Enhance communities and places.

The current timetable is Sept- Dec 2021 for public consultation, followed by Executive approval by the end of 2021. It is anticipated that the publication of ISNI will follow the timetable set for PfG.

MS outlined the progress on stakeholder engagement and the funding and finance options.

The Chair invited comments or questions from the Board on ISNI. The following points were made:

- There is a good mixture of social and physical infrastructure across the proposed themes.
- Amendment to wording: It would be beneficial to review the wording '*Strengthening our public services*' to place more emphasis on public services becoming more productive or responding in a more agile way to challenges.
- Timetable for publication: If an early election is called (before May 2022) the timetable for ISNI will be subject to delay.
- Legislative and Technological developments: There may be legislative changes or technology that cannot be foreseen at the time of writing ISNI. These may significantly impact themes such as climate change or digital economy Board members commended MS and the ISNI team on the progress that has been achieved.

8. MEDIA PACK

There were no comments arising from the monthly media pack.

9. AOB

- KT made her apologies for the August meeting date.
- Board members were asked to submit any comments or suggestions for a Board team building exercise to GMcG.

Actions

Actions from Previous Meetings

Reference	Action	Responsible	Expected Completion
1/20/3	Record training by Board members in personal logs	Board members	May 2021

Actions Arising from May 2021 Meeting

Reference	Action	Responsible	Expected Completion
5/21/1	Preparation of Escalation Procedures paper	BH	June 2021 Meeting F11-21-16905
5/21/2	Annual declaration of interest form to be completed	Board members	Complete
5/21/3	Hold one to one review meetings with Board members.	GMcG	June 2021
5/21/4	Complete and return Board effectiveness survey.	DMcC to send out All Board members to complete	31st May 2021