

**Minutes of Board Meeting of
Strategic Investment Board Limited (Company)**

Minutes of Meeting of the Board of Directors of the Company held in the Erskine Suite Culloden Hotel Belfast at 11:30am on 20th October 2005 and continued by telephone at 9am on 27th October 2005

Present: Tony Watson (Chairman)
David Dobbin (DD) (until the end of item 5)
David Gavaghan (DG)
Nigel Hamilton (from item 9)
Greg Sparks (for item 8 only)

In attendance: Richard Goodfellow (from item 2-8 only)
John Miskelly
Julie Monahan
Paul Sweeney (PS)
(For item 8 only, in order of presentations: John Adamson, Bill Reid, Roger Alexander; Tommy O'Reilly; Tony Whitehead; Stephen Raggett; Philip Irwin and Leo McKenna)

Apologies: James Stewart

1 Matters Arising

1.1 Draft Minutes

The draft minutes for September were approved, subject to a minor alteration.

1.2 Board Appointment

The Chairman welcomed the new Director, David Dobbin, to the Board. The Board noted that David Dobbin would bring further expertise to the Board, both in his understanding of Northern Ireland and his extensive business credentials.

2 Chief Executive's Report

The Board noted the contents of the Chief Executive's Report that had been circulated prior to the Board Meeting. In particular, it was noted that the Minister was likely to launch the ISNI in early December. The Board also discussed the Company's continued role on ISNI. The Board then had a constructive discussion on the progress being made on education projects and the challenges faced on those projects.

The Board further noted that John Miskelly had temporarily taken over Tony McKenna's responsibilities and the Board formally thanked Tony McKenna for all of his work to date, both generally and in relation to Board matters.

DG updated the Board on the recruitment process. The Board noted the excellent response to the adverts and also agreed the process that would be implemented as a result of the response.

DG updated the Board on the improved working methodology between the Company and the shareholder.

The Board further resolved that they would be very keen to see Andrew McCormick's replacement as an Observer to the Board in place as soon as practicable.

3 Budget 06/07 and 07/08 (Budget)

A lengthy discussion ensued on the likely Budget for the Company in the next two financial years. PS helpfully explained both the process of finalising the Budget and the constraints that the Northern Ireland public sector faced. The Chairman further explained the work that had been done in the last month by him and others on this matter.

It was resolved that DG and PS should meet and discuss the impact of the draft Budget when it became available and work up an options paper to present to the Board on how to take the issue forward. The Board further resolved to assist DG and PS in any way practicable.

4 Corporate and Business Plan (Plan)

The Board noted that items 4 and 5 were linked as the Budget would impact on the Plan. It was resolved that DG and PS would continue to work together on this once the draft Budget became available.

DG explained that the Company and PS were working closely together to ensure that the Plan was discussed with the Departments in the most appropriate way possible.

5 Half Year Business Plan Monitoring

The Board noted the contents of the Monitoring Plan and the Board resolved that a formal Half-Yearly reporting structure was more appropriate than quarterly reporting.

The Board then discussed whether this Monitoring Plan was effective as a performance measurement of the Company. The Board resolved that DG and PS should consider this further.

6 Finance

The Board noted the contents of the Financial Information circulated prior to the Board Meeting. The Board discussed the procedures in the Company for approving spend and it was noted how these had improved over the life of the Company. The Board also noted how difficult it was to accurately budget spend on projects as most projects had significant variables outside the Company's control.

7 Case Reports

The Board and various Strategic Advisers (SAs) discussed several of the projects and sectors that the Company was active in. The SAs explained progress made in the projects in the last Quarter and the challenges they had faced. The Board offered advice and assistance to the SAs and noted the

progress being made. In particular, the Board and the SA's discussed: Education; Emergency Services; Workplace 2010; the National Stadium; e-HR; Broadband Aggregation; Health and Wider Markets.

The Board Meeting then adjourned.

The Board meeting then re-convened at 9am on 27th October by telephone.

8 Equality Scheme

The Board discussed the draft Equality Scheme of the Company and after lengthy discussion resolved to approve it, subject to a minor amendment.

9 Northern Ireland Audit Office

DG explained the nature of the enquiry made by the NIAO, which the Company was providing input to.

10 Any Other Business

There being no further business, the meeting then terminated.

Chairman