



SIB CORPORATE PLAN 2007/8 – 2009/10

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Introduction

1. This Corporate Plan defines the medium term objectives of the Strategic Investment Board Limited (SIB) and documents the corporate strategy it will follow to achieve them. The Corporate Plan is supported by the annual Business Plan which sets out in detail the actions SIB will take in 2007-8 to ensure delivery of these objectives from the resources allocated.

Background

Strategic Investment Board Limited

2. During the last devolved government ministers wished to see a coordinated approach that would deliver their priorities by accelerating the efficient delivery of the much-needed new schools, hospitals, roads and other infrastructure required for the 21st century. In April 2003, following extensive consultation, *The Strategic Investment and Regeneration of Sites (Northern Ireland) Order 2003* established the Strategic Investment Board Limited.

3. SIB is a company limited by guarantee, owned by the Office of the First Minister and Deputy First Minister (OFMDFM), financed from within the departmental expenditure limit, with a board reporting directly to the First Minister and the Deputy First Minister.

Roles & Responsibilities

4. SIB's role is to act as a bridge between the public and private sectors. It works with NI government departments and agencies to help them achieve faster delivery of major public infrastructure projects. In parallel, SIB works with the private sector to inform the market of planned projects, generate confidence and stimulate market interest, thus driving competitive tension and resulting in improved value for the taxpayer.

5. SIB's key responsibilities are threefold. First, it is responsible for producing the Investment Strategy for Northern Ireland; a ten-year plan for the delivery of public infrastructure that covers all areas of government including education, health, and transport. The ISNI process comprises the delivery of the infrastructure required to meet the government's priorities, as determined by Ministers. Secondly, SIB helps the public sector deliver large infrastructure projects and programmes of investment. Working alongside the relevant government department(s), the SIB seeks to accelerate delivery timetables whilst at the same time achieving better value for the taxpayer. In practice, this means the deployment of staff with extensive experience in the funding and implementation of major investment projects into key project management and advisory roles. Thirdly, the SIB seeks to foster and promote reform both in the delivery of major infrastructure and as a prerequisite for such investment, and helps build delivery capability by encouraging the development of specialist skills and the use of innovative approaches not usually found in the public sector.

Corporate Plan Format

6. The format of the Corporate Plan is as follows:

Section 1 sets out the context within which SIB has constructed its Corporate Plan. The first element is a review of the company's work in 2006/7. Next, it documents the relevant government priorities and targets as set out in the 'Priorities and Budget 2006-8' and their associated Public Service Agreement targets. Finally, this section also identifies the factors SIB needs to take into account when determining how it can best meet its main aims and the needs of its customers; the factors which may significantly affect the execution of the plan and the policies within which it will operate.

Section 2 presents the SIB's medium-term corporate strategy. It defines the Company's vision, its strategic priorities, its objectives and desired outcomes. The way in which these objectives and outcomes will be achieved is described in the form of a high-level road map. This section also documents the company's expected expenditure and income.

Section 1: The Business Planning Context

Review of 2006/7

7. The company has continued to work effectively in partnership with civil service departments and its other customers. The successes achieved through these partnerships include:

- the appointment of a preferred bidder for the BELB schools strategic development programme;
- the appointment of a preferred bidder for new Belfast Institute of Further and Higher Education campus and the completion its final business case;
- the attraction of four bidders to the Enniskillen acute hospital project (twice the national average);
- the progression of the Workplace 2010 programme to BAFO stage;
- the financial closure of the second package of strategic roads development;
- the production of a strategic business case for the NI Schools Modernisation Programme;
- the identification of opportunities to make better use of Forestry Service assets through new commercial activities;
- the financial closure of the Omega project for waste water disposal;
- the production of a concept design for the proposed multi-sports stadium at Maze/Longkesh;
- the progression of the Network NI programme to BAFO stage;
- the provision of advice to the NIO leading to the minister's strategic decision to co-locate the police, fire service and ambulance service training colleges;
- the appointment of a preferred bidder to the Waste Organics project;
- the development of a licence for NI Water Limited;
- the delivery of an asset register to support the development of an health estate asset management strategy
- the production of a strategic business case for the development of a Primary and Community Care Infrastructure programme
- the continued development of the Investment Strategy for Northern Ireland (ISNI); Investment Model; including the development of an investment model, governance and monitoring arrangements.

8. SIB completed a survey¹ of its stakeholders at the end of the financial year. At the time of writing, the summary results of this show that:

- 95% of respondents who expressed an opinion said that they were satisfied with the quality of service provided by SIB during 2006;

¹ The full results of this survey will be published on the SIB web site in early FY 2007/8.

- 88% of respondents who expressed an opinion said that SIB has helped their organisation in the delivery of infrastructure project(s);
- 100% of respondents who expressed an opinion said that SIB advisers bring good professional knowledge and skills to projects.
- 97% of respondents who expressed an opinion said that SIB staff are customer focused and easy to do business with.

Priorities and Budget 2006-8

9. The ‘*Priorities and Budget 2006-8*’, which sets out priorities and plans for public expenditure, states that

“Infrastructure is central to Government’s plans for delivering the Economic Vision, which provides a framework to improve productivity, and hence underpin sustained improvements in economic performance, by concentrating on innovation, skills, enterprise and infrastructure. (...) A modern infrastructure is a major driver in economic competitiveness (e.g. lowering transaction costs) but it also has the capacity to reduce current cost pressures in sectors such as health service delivery.”

Public Service Agreement Targets

10. Public Service Agreements (PSAs) set out departmental objectives and are fundamental to the Government’s approach to delivering high quality public services. The PSAs define OFMDFM’s targets which, in turn, influence SIB’s objectives and Operational Partnering Agreements (OPAs) with Departments. The ‘*Priorities and Budget 2006-8*’ defines OFMDFM’s Public Service Agreement (PSA) target related to the priority outcome of improved infrastructure as:

“To underpin improved public services by continuing to deliver the increase in public sector infrastructure investment, as set out in the long-term investment strategy for Northern Ireland.”

11. The planned outcome for the citizen of achieving this target will be better public services supported by the improved development of infrastructure.

Assumptions, Constraints and Dependencies

12. The successful delivery of this plan is subject to a set of constraints and dependencies, and is predicated on assumptions, some of which have yet to be verified. SIB will monitor these factors and adapt its plans in the light of change.

13. SIB works within financial limits set by Ministers and these determine the overall level of support the company can provide Departments both in terms of enabling consultancy (cash limited) and support from SIB advisers (headcount limited). Another consideration will be the capability of the public and private sectors to manage this challenging programme of work. Last year SIB commissioned two research projects to gauge the delivery capabilities of the two sectors. The private sector delivery capability survey (commissioned jointly with OFMDFM) suggested it would be able to meet demand. However, a survey of public sector capabilities suggested that Departments will find it difficult to provide capable staff in sufficient numbers to deliver the investment programme. The lack of such staff in Programme

and Project teams, or their presence in insufficient numbers, would be a significant constraint.

14. The plan assumes that SIB will continue to recruit and retain high calibre staff with the required knowledge and experience.

15. The prioritisation of the projects proposed in the ISNI may be affected by decisions taken by Ministers on spending priorities and allocations during the 2007 NI budgetary process. It is already clear, however, that the expected costs of the programmes and projects identified in ISNI1 will exceed the capital allocated to its implementation. SIB will amend its strategy and plans in the light of the eventual settlement.

16. The development of Wider Markets and asset sales will depend on the support of DFP and the departments.

17. SIB will work to encourage increased rigour around the project planning and approval process by way of a standardised approval process (including the use of Gateway Reviews) conducted by the relevant Department and SIB.

Policy Considerations

18. SIB delivers its objectives in ways that accord with a set of policies defined by its Board and agreed with its shareholder. These policies are documented and published on the Company's web site. The policies mean that:

- SIB is committed to acting within the 'Section 75' equality legislation. Over the course of this plan it will meet all its obligations under these regulations;
- SIB is committed to pursuing sustainable policies and its advisers seek to ensure that supported projects pay due regard to sustainability issues;
- SIB acts in support of the government's social agenda and acts in ways that support initiatives such as "Lifetime Opportunities". The Company will work to ensure that local businesses are able to take advantage of the business opportunities flowing out of the infrastructure investment programme;
- SIB is aware of regional disparities in terms of infrastructure development within Northern Ireland and is committed to helping to reduce these; and
- SIB will observe the Freedom of Information Act. It will continue to publish as much information as possible about its activities, whilst respecting the need for commercial confidentiality.

Section 2: Corporate Strategy

SIB Vision

19. The vision of the SIB is that

“Northern Ireland will build and sustain a public infrastructure fit for the needs of all its people.”

Strategic Priorities

20. SIB’s strategic priorities are derived from the targets set by Government and from consideration of the issues the company was established to address. The overarching issue for the SIB is how it can help the government address the question posed in ‘*Priorities and Budget 2006-8*’:

“How can investment in infrastructure best secure economic, social and environmental development and the sustained delivery of public services?”

21. The priority issues SIB will address are:

- the statutory requirement for SIB to advise the Executive in relation to the formulation and implementation of its programme of major investment projects;
- the need to accelerate the delivery of major infrastructure projects;
- the need to obtain value for money for infrastructure investment;
- the need to improve the infrastructure delivery capabilities of government Departments in Northern Ireland; and
- the need to further develop the Company to ensure it continues to be capable of achieving its objectives.

SIB Medium Term Objectives, Outcomes and Targets

22. The **medium-term objectives** derived from the company’s strategic objectives are:

- To embed and develop the Investment Strategy for NI (ISNI);
- To deliver supported projects/ programmes in accordance with the sectoral plans; seeking effective ways to accelerate the timetable without compromising value for money;
- To foster and promote reform both in the delivery of major public sector infrastructure and as a pre-requisite for such investment;
- To develop the organisation and the individuals within the organisation;
- To work with the relevant bodies and departments to ensure that our infrastructure plans are aligned and, where appropriate, that these are also aligned with those in the Republic of Ireland, in accordance with North South agreements.

23. The **outcomes** of achieving these objectives will be that, by the end of the period covered by this plan:

- The ISNI process will continue to deliver a comprehensive plan for future infrastructure investment. The ISNI reflects the government's investment priorities and supports medium-term planning by the supply sector. The process for developing the ISNI is documented, repeatable and understood by stakeholders. Ministers, public servants and other stakeholders have the information necessary to manage the investment programme effectively;
- SIB has helped Departments deliver larger and better project procurements (in terms of faster delivery, lower risk and best value) than would otherwise have been possible;
- Where it is involved, SIB has ensured that Sustainable Development principles guide capital investment decisions on all major publicly funded buildings and infrastructure projects;
- SIB has developed the market for public sector infrastructure in ways that improve competition and foster the development of the local economy;
- SIB has helped Departments develop their infrastructure programme and project delivery capability so that more projects and programmes can be delivered faster, at reduced risk and demonstrating best value;
- SIB has developed as an organisation so that it meets the requirements of its stakeholders: Ministers, local representatives, the Departments, its shareholder (OFMDFM), private sector bidders, its staff and the public.

24. SIB operates within a performance management framework that is consistent with the FABRIC²: approach to performance information. The key **performance targets** linked to its medium-term objectives are:

- To produce ISNI 2, with delivery in autumn 2007;
- To support the delivery of key programmes and projects in years 1-3 of ISNI 1 (as agreed with departments and set out in annual business plans);
- To provide support for the reform process in ways agreed with OFMDFM and set out in annual business plans.

² *Choosing the Right FABRIC - A Framework for Performance Information*, HM Treasury *et al*, March 2001.

Operating Strategy

25. SIB's operating strategy describes its high-level approach to delivering its objectives and outcomes. The Company's concept of operations is to deploy resources:

- in support of projects and the development of public sector delivery capabilities; and
- to encourage a well-informed market capable of delivering projects at competitive prices.

26. SIB will work to maximise the opportunities that arise from the new administration.

27. SIB will deploy staff and expert advisors to work in partnerships with Departments, representative bodies and the private sector to draft the ISNI. It will consult widely on these drafts and take proper account of the responses it receives. It will monitor progress with the implementation of the strategy and will publish reports to inform the decisions of Ministers and officials. The company will fund research to monitor the capabilities of the public and private sector and will recommend amendments to the strategic investment profile where such research indicates these are necessary.

28. SIB will deploy staff in support of individual projects and programmes. It will agree the terms of engagement of its advisors with its partners and express these in formal Operational Partnership Agreements. Where this will accelerate delivery and reduce risk, SIB will use its enabling budget to part-fund expert consultancy employed by Departments.

29. The Company will continue to identify opportunities where its staff can usefully fill project and programme director posts.

30. In furtherance of the government's reform programme, SIB will work to improve the delivery capabilities of Departments, for example by supporting the development of Programme Delivery Support Units. It will work to reduce the reliance of public sector infrastructure delivery managers on external consultants. It will continue to offer secondment opportunities both to staff from other public bodies.

31. SIB will work closely with the Central Procurement Directorate to implement best practice in procurement across central government. SIB will continue to promote the use of standard contracts where these reduce costs and lead times.

32. SIB will identify opportunities for public private partnerships where these offer value for money.

33. The company will continue to support the 'Wider Markets Initiative' by providing public sector organisations with expert advice and access to specialist support from external consultants.

34. SIB acts as a bridge between the public and private sectors to promote mutual beneficial understanding. It will continue to inform the market of the flow of projects and develop contacts in private firms with the aim of encouraging their interest in Northern Ireland as a place to do business. It will do this through a marketing mix that includes sponsored conferences, sector briefings, personal meetings, magazine and newspaper articles, the SIB web site and media interviews.

35. As part of the process of developing the ISNI, SIB will assist government departments to embrace sustainable development principles when formulating infrastructure investment proposals.

36. SIB will help key spending departments identify those future investments with the most potential to improve the contribution of infrastructure programmes to achieving the objectives and key targets set out in the First Steps strategy.

37. The Company will continue to develop its organisational capabilities. It will recruit and retain high-quality advisory staff by offering appropriate remuneration packages. It will invest in new IT systems where these will improve its efficiency and effectiveness. It will ensure it meets the high standards of financial management and record keeping required by the public sector. It will develop its reporting processes to meet the needs of OFMDFM and DFP. It will continue to fulfil its obligations under the Freedom of Information Act.

38. SIB will have due regard for the need to promote positive attitudes towards disabled people and encourage participation by disabled people in public life. It will continue to comply with its Section 75 obligations.

39. SIB will consider alternative funding arrangements for its activities – including hard charging - with the aim of optimally matching supply to demand.

Forecast of Expenditure & Income

40. In June 2005 the government announced a zero-based Comprehensive Spending Review (CSR) which will decide the resource allocations for the period 2008-9 to 2010-2011. The results of this review have yet to be published. Any income forecasts are therefore subject to change.

41. SIB is funded by OFMDFM by means of grant-in-aid. The budget is agreed with Ministers and the Department prior to the commencement of the financial year to which it relates. SIB's budget is allocated across two main budget areas:

- The enabling budget, which is used to pay for consultancy expertise required in connection with infrastructure projects. SIB will normally seek to share those costs with a department on a 50:50 basis, but it has the authority to commission consultants in its own right; and
- The operating budget, from which salaries, expenses, accommodation and other running costs are met. This budget also funds internal consultancy related to the internal functioning of SIB. More than 80% of SIB's employment costs are incurred directly supporting projects and programmes thereby providing additional weight to the concept of enabling.

42. The table below illustrates the indicative breakdown of SIB's budget for the period 2007-08 and 2008-09.

| | <i>2007-08</i> | <i>2008-09</i> | <i>2009-10</i> | <i>2010-11</i> |
|--|----------------|----------------|----------------|----------------|
| Operating (Includes 5% annual reduction) | 4,600 | 4,471 | 4,346 | 4,224 |
| Resource (Enabling Budget) | 4,910 | 4,539 | 4,664 | 4,786 |
| Capital | 30 | 30 | 30 | 30 |
| Total | 9,540 | 9,040 | 9,040 | 9,040 |

Figures in £000s

SIB (Draft) Budgets 2006/7 – 2007/8



SIB BUSINESS PLAN 2007/8

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Introduction

1. This Business Plan defines the business targets of the Strategic Investment Board Limited (SIB) for 2007/8 and documents the steps it will take to achieve them. The Business Plan is derived from the three-year Corporate Plan which sets out SIB's medium term objectives and high level corporate strategy. Taken together these documents describe the outcomes and the outputs the company will deliver from the resources allocated.

SIB Board

2. The SIB Board has overall responsibility for setting and monitoring strategy, for developing and implementing policy and for supervising risk management, budgetary control and business planning. The Board's Audit Committee ensures that assurance can be provided to the Department (OFMDFM) as shareholder that the company's financial and other control systems are operating effectively. A list of members of the SIB board is attached at Appendix C.

SIB Organisation

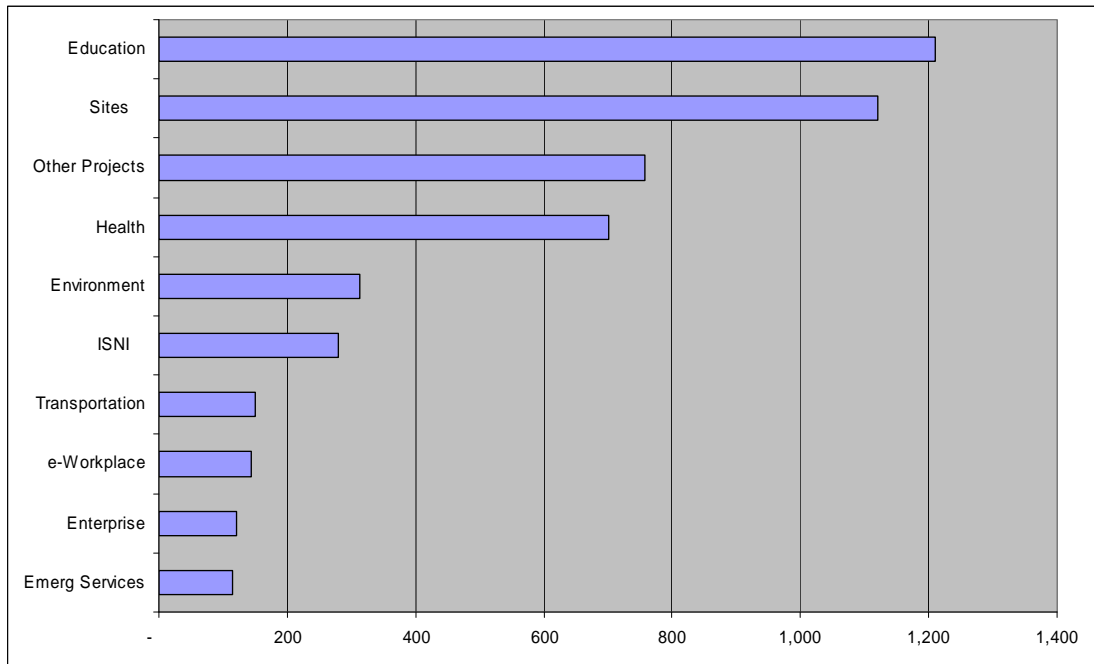
3. SIB is managed by the Chief Executive and the day to day support operations of the company are managed by the Chief Operating Officer. Legal advice is provided by the Legal Director. An organisation chart, showing the structure of the company and a breakdown of staff in post can be found at Appendix D.

SIB Budget 2007/8

4. The SIB 2007/8 budget provision comprises:

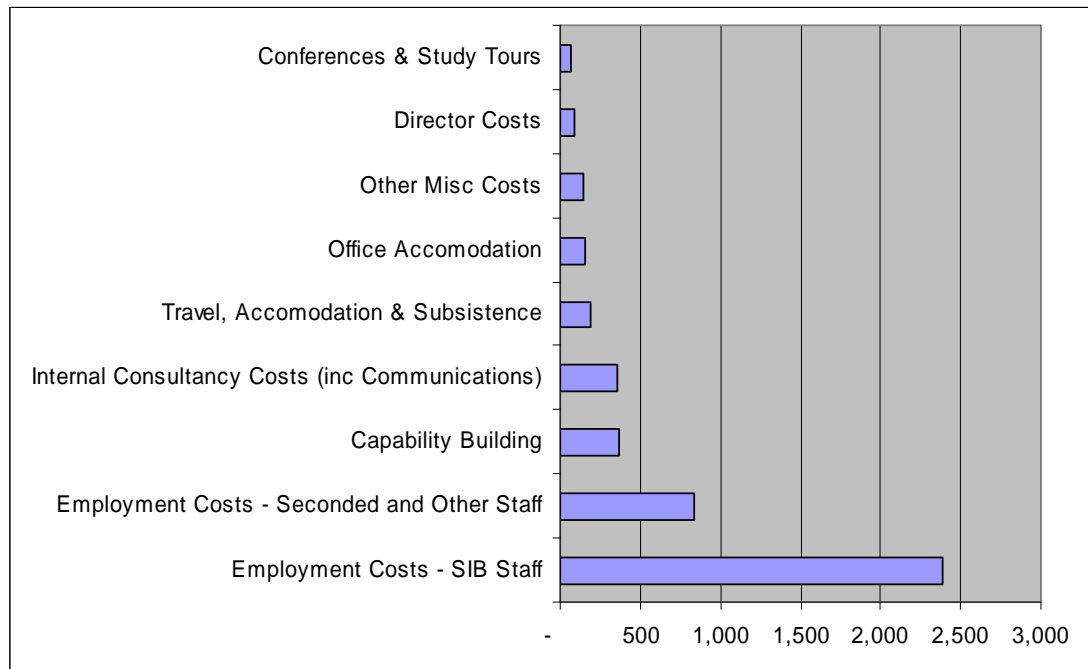
| | |
|-------------------|------------|
| Enabling Budget: | £4,630,000 |
| Operating Budget: | £4,883,000 |
| Total: | £9,513,000 |

5. The allocation of the enabling budget to ISNI, infrastructure pillars and other projects is set out in the chart below.



SIB – Allocation of Enabling Budget to Infrastructure Sectors (£000s)

The projected breakdown of operating costs is:



SIB – Breakdown of operating costs (£000s)

6. The allocation of Strategic Advisors to the ISNI, Investment Pillars and other work is set out in the table below:

| Sector | Number of Advisors (fte) |
|---------------|--------------------------|
| Networks | 0.25 |
| Skills | 3.5 |
| Health | 3 |
| Social | 2 |
| Environment | 1.5 |
| Productive | 2 |
| ISNI | 2 |
| North West | 1 |
| NIO Projects | 0.5 |
| TOTAL: | 15.75 |

SIB – Allocation of Strategic Advisors to ISNI/2 Investment Pillars

Corporate and Sectoral Targets

7. SIB's corporate and sectoral targets for 2007/8 are set out in Appendices A and B. These targets should be seen in the context of SIB's performance management framework and its Corporate Plan for 2007-2010.

Appendix A: Corporate Targets and Milestones for 2007/8

| Objectives | Outcomes | Actions | Performance Targets |
|--|---|--|---|
| To develop and publish the Investment Strategy for NI (ISNI) | The ISNI provides a comprehensive vision for future infrastructure investment. The ISNI reflects the Government's investment priorities and supports medium-term planning by the supply sector. The process for developing the ISNI is documented, repeatable and understood by all stakeholders. Ministers and the public service have the information necessary to manage the investment programme effectively. | A1.1 To publish ISNI2. | T1.1.1 To have published ISNI 2 by the date agreed with Ministers. |
| To accelerate the delivery of supported projects/ programmes | <p>SIB helps Departments deliver more and better project procurements (in terms of faster delivery, lower risk and better value) than would otherwise have been possible.</p> <p>SIB is developing the market for public sector infrastructure in ways that improve competition and foster the development of the</p> | <p>A2.1 To provide support to Departmental projects that is fit for purpose and delivered on time and within budget.</p> <p>A2.2 To reduce the costs, mitigate the risks and accelerate the delivery of projects supported by SIB.</p> | <p>T2.1 Over the course of the year, SIB will have delivered 85% of its support on time, within budget and to the satisfaction of its customers. <i>(See Technical Note 1)</i></p> <p>T2.2 By March 2008 to have documented a set of interventions that demonstrate the scale and nature of the costs SIB has reduced; the risks it has mitigated</p> |

| Objectives | Outcomes | Actions | Performance Targets |
|------------|----------------|---|--|
| | local economy. | <p>A2.3 To promote the use of SIB standard contracts.</p> <p>A2.4 To provide the support necessary to enable Departments to sell into wider markets.</p> <p>A2.5 To inform the market about the likely pattern of infrastructure investment. To encourage potential bidders for infrastructure contracts to see Northern Ireland as an attractive place to do business.</p> | <p>and the delivery processes it has accelerated in partnership with the Departments. (<i>See Technical Note 2</i>)</p> <p>T2.3 Over the course of the year, 75% of SIB supported projects will use a standard contract.</p> <p>T2.4 By March 2008, to have enabled OSNI and the Forestry Service to decide whether to sell into wider markets.</p> <p>T2.5.1 By March 2008, to have run an Infrastructure Investment conference.</p> <p>T2.5.2 Over the course of the year, to maintain a website that provides bidders with the information required to assess investment opportunities.</p> |

| Objectives | Outcomes | Actions | Performance Targets |
|--|---|--|---|
| To foster and promote reform in the delivery of major public sector infrastructure | SIB helps customers develop their sustainable infrastructure programme and project delivery capability so that more projects and programmes can be delivered faster, at reduced risk and demonstrating best value | <p>A3.1 To establish Programme Delivery Support Units (PDSUs) within Departments.</p> <p>A3.2 To develop the capabilities of civil and public servants.</p> <p>A3.3 To consider options for the development of public sector infrastructure delivery capability.</p> <p>A4 To research new and innovative models of procurement.</p> | <p>T3.1 By December 2007, to have helped establish PDSUs (or their equivalents) in DEL, DHSSPS & DOE.</p> <p>T3.2 By March 2008 SIB will have provided secondment opportunities for three NICS staff.</p> <p>T3.3 By December 2007, to have agreed with CPD and other stakeholders, a strategy for the improvement of public sector infrastructure delivery capability, and begun its implementation.</p> <p>T4 By March 31 2008 to have worked with CPD, DFP and OFMDFM to produce a paper considering possible new models for infrastructure procurement within NI.</p> |
| To develop the organisation and the individuals within the organisation. | SIB has developed as an organisation so that it meets the requirements of Ministers and OFMDFM and takes account of | A4.1 To comply with the terms of the Management Statement and Financial Memorandum. | T4.1 Over the course of the year, SIB will comply with the terms of the Management Statement and |

| Objectives | Outcomes | Actions | Performance Targets |
|------------|--|---|--|
| | <p>the legitimate interests of local representatives, the Departments, private sector bidders, its staff and the public.</p> | <p>A4.2 To ensure advisers devote as much time as possible supporting projects and programmes.</p> <p>A4.3 To continue to operate a shadow charging regime for SIB's services.</p> <p>A4.4 To maintain staff turnover and sickness rates at lower than industry averages.</p> <p>A4.5 To pay bills on time.</p> | <p>Financial Memorandum.</p> <p>T4.2 By March 2008 SIB will demonstrate that the strategic advisers have spent at least 90% of their time directly supporting projects and programmes; 5% on training and not more than 5% on other activities.</p> <p>T4.3 To attribute the full economic cost of SIB support to individual programmes and projects.</p> <p>T4.4.1 Staff turnover rates to be less than 20%.</p> <p>T4.4.2 To maintain sickness rates to below an average of 3% per person per year.</p> <p>T4.5 To pay 95% of properly presented bills within 30 working days.</p> |

| Objectives | Outcomes | Actions | Performance Targets |
|------------|----------|---|--|
| | | <p>A4.6 To respond to FoI requests within the 20 day deadline.</p> <p>A4.7 To produce statutory and other accounts on time and fit for purpose.</p> <p>A4.9 To implement the company's Records Management Strategy.</p> <p>A6 To produce SIB Corporate and Business Plans within the schedule set by OFMDFM.</p> <p>A7 To promote equality of opportunity through the implementation of our approved Equality Scheme.</p> | <p>T4.6 To have responded to FoI requests within the 20 day deadline. <i>(See Technical Note 3)</i></p> <p>T4.7 To produce the company's accounts and annual report in line with the requirements of OFMDFM and DFP.</p> <p>T4.9.1 Over the course of the year, to have migrated successfully to the Trim EDRM system.</p> <p>T6 To have agreed SIB Corporate Plan for 2008/9 -2010/2011 and Business Plan for 2008/9 with OFMDFM by March 31 2008.</p> <p>T7 To implement the action plan set out in Appendix 4 of SIB's Equality Scheme.</p> |

| Objectives | Outcomes | Actions | Performance Targets |
|------------|----------|---|---|
| | | <p>A8 To have due regard to the need:</p> <ul style="list-style-type: none"> - to promote positive attitudes towards disabled people, and - to encourage participation by disabled people in public life. <p>A9 To have considered options for the recovery of SIB's costs from its customers.</p> <p>A10 To implement the company's training and development plan.</p> | <p>T8 By June 2007, to have produced a Disability Action Plan and to have commenced its implementation.</p> <p>T9 To have produced, for consideration by the Board in 2007, an options appraisal that determines whether and how it would be appropriate to change the basis on which SIB is funded.</p> <p>T10.1 To carry out a corporate training needs analysis and produce a corporate training and development plan by May 31 2007.</p> <p>T10.2 To have implemented the corporate training and development plan by March 31 2007.</p> |

| Objectives | Outcomes | Actions | Performance Targets |
|------------|----------|---|--|
| | | <p>A11 To have the staff required to achieve the company's objectives.</p> <p>A12 To have communicated effectively with the company's stakeholders.</p> | <p>T11. To have maintained the company's establishment at the required level over the course of the year.</p> <p>T12 To have developed and implemented a stakeholder communications plan by the end of 2007.</p> |

Technical Notes

1: Customer satisfaction will be determined through feedback from Departments on the performance of advisors. This will use a five point scale: Very Satisfied; Satisfied; Neither Satisfied nor Dissatisfied; Dissatisfied and Very Dissatisfied, (or other five point equivalent, depending on the wording of the question). Feedback will be requested annually as part of SIB's Stakeholder Survey. 'On time' refers to SIB meeting its own milestones for the delivery of products and advice. (These are documented in the Sectoral Business Plans, attached at Appendix B.) Within budget refers to the deployment of the enabling budget in accordance with the expected profile, re-baselined where necessary to take account of delays outside the control of SIB.

2: This target provides a qualitative response to the difficulty of disaggregating the contribution made by SIB to the over all success of projects and the development of markets in ways that are quantifiable and can be tracked over time. The implementation of the sectoral business plans provides the body of evidence to demonstrate SIB's achievements. SIB's Operational Partnership Agreements identify and define its roles and responsibilities across each department's investment programme. SIB produces quarterly programme and project reports that fulfil the requirements of T2.2.

3. Excepting requests requiring referral to the central clearing house or external bodies.

Appendix B: Sectoral Business Plans

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|--------|---------|--|---|---|
| ISNI | ISNI2 | <p>Developing & launching ISNI 2</p> <p>Developing and progressing longer term workplan for ISNI 3</p> | <p>Capital and revenue profiles associated with investment opportunities identified and signed off by Departmental DFs, and agreed with DFP.</p> <p>Research on prioritisation framework concluded and recommendations considered in supporting scenarios.</p> <p>Early stakeholder consultation concluded.</p> <p>Project/Programme monitoring system identified and implemented.</p> <p>First monitoring round completed, feeding into IDG.</p> <p>ISNI identity agreed and implemented for ISNI document and web [e.g. Big Picture].</p> <p>ISNI web resource launched.</p> <p>Completion of EQIA & report</p> <p>Draft ISNI document published and, subject to ministerial approval, formal consultation commenced.</p> | <p>Liaison with DFP on link between ISNI and Priorities & Budget.</p> <p>ISNI consultation completed and final report published.</p> <p>Second monitoring round feeding into IDG.</p> <p>Substantial completion of ISNI web, with additional content and audience feedback.</p> |

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|--------|--|--|--|--|
| Skills | BELB Strategic Partnering Project | Contract Negotiation and Financial Close | To have completed Financial Close. (Subject to agreeing with BELB/ESA ongoing SIB participation.) | |
| | Northern Ireland Schools' Modernisation Programme (NISM) | Help ESA to advance their NISM Programme on a number of workstreams that are within the scope of discrete projects in the programme. Procure specialist financial, organisational change, communications, asset management surveying and legal advice. | Provide SIB's input to the SBC for the Programme including financial support. Provide SIB's input to the Communications Strategy for the Programme. Procure a QA audit of the Asset Management Surveys. Procure Legal Advisers for the Construction and Professional Services Frameworks. | Provide SIB's input to the development of the SBC into the implementation phase of the Education Infrastructure Procurement Service (EIPS). Provide SIB's input to the delivery of a Communication's Plan. Provide SIB's input to the completion of DE's Asset Management Surveys. Provide SIB's input to the completion of Construction and Professional Services Frameworks, with Wave 1 projects in procurement. |
| | Belfast Institute of Further and Higher Education | Support DEL in negotiations and production of FBC, (subject to planning). | Negotiated to Contract Close; Achieved Planning Consent; Reached Financial Close. | Construction is underway. |

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|-----------------|---------------------------------------|---|--|--|
| | Additional Further Education Projects | Identifying suitable projects (subject to CSR '07 funding). Where identified commence the first stages of compiling the economic appraisals and the Outline Business cases. | To have identified suitable projects (subject to CSR '07 funding). To have appointed advisors to commence the first stages of compiling the economic appraisals and the Outline Business cases. | To have completed the economic appraisals; To have set up project structures. |
| Networks | City of Derry Airport (CODA) | Support to Derry City Council (DCC) regarding the improvements to the runway at City of Derry Airport. A change of governance arrangements for the Airport from its current 100% council ownership is likely to follow a study by Ernst and Young (completed in January 2007). SIB support may be required for the implementation of the recommended new governance model. | Develop communication strategy with CODA iro the 'Vesting Orders' hearing in April. To have begun implementation of the recommended new governance model underway. | To have completed the change of governance at CODA, (subject to approvals). |
| | Network NI | Assist DFP in procurement of fit-for purpose WAN service for NICS and C2K. | To have assisted DFP in letting the Network NI contract. | |

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|---------------|----------------------------------|---|---|---|
| Social | Maze/Long Kesh Regeneration Site | <p>Assist OFMDFM/DCAL in the preparation of FBC for Maze/Long Kesh Regeneration Programme (inc. Multi-Sports Stadium).</p> <p>Take the lead on behalf of OFMDFM on Development Partner Formal Market Testing.</p> <p>Assist OFMDFM with other Site infrastructure/project development e.g. ICCT, preparation for delivery of successful planning application.</p> | <p>To have provided input into FBC and assist with DCAL and OFMDFM input for submission of FBC to DFP and Ministers by end September 2007.</p> <p>To have conducted and concluded Competitive Dialogue Procedure by September 2007.</p> <p>To have provided input into continuing development of ICCT.</p> <p>To have provided input into preparation of Planning Applications for submission by 31 October 2007.</p> | <p>N/A</p> <p>To have assisted with drafting of legal contracts in relation to development partnership between government and private sector partner.</p> <p>To have provided input into continuing development of ICCT.</p> <p>To have provided input into the resolution of issues emerging from Planning Applications.</p> |

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|--------|--|---|---|--|
| | Multi - Sports Stadium | <p>Assist DCAL with preparation and finalisation of Stadium Business Plan.</p> <p>Assist DCAL in search for and negotiation with potential naming rights partner</p> <p>Assist DCAL in production of Stadium Design</p> | <p>To have provided assistance in gaining final agreement of the 3 sports and on confirmation of Ownership/Governance arrangements for the Stadium.</p> <p>To have helped identify naming rights partner for multi-sports stadium, and negotiation of contract.</p> <p>To have assisted with preparation of design to Full Planning Application standard.</p> | <p>To have assisted with drafting of legal contracts in relation to the Stadium operating arrangements.</p> <p>To have provided input into the resolution of issues emerging from Planning Applications.</p> |
| | Titanic Signature Project (TQSP) | Assist DETI with due diligence exercise on options for Signature Project | To have identified and agreed TQSP for delivery by 2012. | |
| | Olympic Facilities Infrastructure Delivery | Assist DCAL and SCNI with development of sporting infrastructure | To have provided ad hoc advice. | To have provided ad hoc advice. |

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|---------------|---|---|--|---|
| Social | Social Housing Development Programme | Support NIHE and DSD in the development of an agreed strategy for the improvement of new social housing procurement. | To have commenced development of standard tender/procurement documentation and guidance. To have initiated the approved programme delivery structures. To have commenced programme planning and scope. | To have completed standard tender/procurement documentation and guidance. To have finalised programme deal flow. To have completed a thorough market engagement process. To have gained approval to release first projects to the market. |
| Health | Primary and Community Care Infrastructure Programme | Provide key strategic support to HSSA for the successful delivery of the programme. Develop and participate in appropriate programme management structure. Ensure projects are prepared and planned for market release. | To have completed standard tender/procurement documentation and guidance. To be delivering the programme through appropriate programme management structures. To have achieved approval of first phase OBC2. To have commenced design and procurement of advanced schemes. To have released the OJEU for the first PPP project bundle. | To have shortlisted bidders for the first PPP project bundles. To have completed strategic planning of subsequent PPP project bundles. To have appointed Contractors for advanced schemes. To have commenced development of the corporate JV structures. |
| | Enniskillen Hospital | Help HSSA advance project and advise throughout procurement to financial close. | To have appointed a preferred bidder. | To have reached financial close. |

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|-------------------|---|--|--|--|
| | | <i>[Other targets relating to health will be set once the outcome of the Hospitals' Review is known]</i> | | |
| | Emergency Services Investment Programme | Advertise and select client advisors; review the Strategic business cases for NIFRS and NIAS; complete the OBC2 for NIFRS and NIAS; submit business cases for approval. | To have advertised and selected client advisors; To have reviewed the Strategic business cases for NIFRS and NIAS; | To have completed the OBC2 for NIFRS and NIAS; To have submitted business cases for approval. |
| Productive | WP2010 | <p>Progress the procurement of a total property PFI for the first phase of the strategic development plan for the NICS estate.</p> <p>Maximize the range of NICS properties to be included in the PFI contract for the first phase of the strategic development plan.</p> <p>Maintain private-sector interest in the PFI accommodation contract.</p> <p>Ensure all aspects of the Sustainable Development agenda are fully incorporated within the WP2010 contract through a programme of challenging targets and objectives.</p> <p>Support the objectives of the NICS reform programme through key stakeholder buy in for the Workspace 2010 programme.</p> <p>Implement a programme of pre-contract works to facilitate the delivery of the WP2010 programme.</p> | <p>To have completed BAFO process for the WP2010 Programme.</p> <p>To have identified Preferred Bidder and commenced final negotiations in preparation for financial close.</p> <p>To have developed Full Business Case ready for submission to DFP Finance and Supply.</p> <p>To have prepared Statutory Order for the transfer of Stormont Estate to the PSP and have it ready for signature.</p> <p>To have issued contracts for pre-contract works and see</p> | <p>To have signed WP2010 contract and implemented contract commencement.</p> <p>To have contract management arrangements in place and pre-contract works completed.</p> <p>To have Evaluation and Benefits Realisation Strategies being implemented across departments.</p> <p>To have first wave of departments prepared for decant/recant phase.</p> <p>To have design of Castle Court and Clarence Court for the first phase of refurbishment signed off by</p> |

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|--------|-------------------------------------|--|--|---|
| | | Integrate WP2010 with a number of ICT Reform programmes to develop an agreed WP2010 ICT office model. | <p>work progressing on site.</p> <p>To have obtained political approval to progress to contract award for WP2010 programme.</p> <p>To have reached Agreement on inclusion of soft FM services in the contract.</p> <p>To have agreed WP ICT office model with DID.</p> <p>To have agreed with NICS a series of targets on sustainable development.</p> | departments. |
| | Wider Markets - Knowledge Transfer | Assist DETI, InvestNI and DEL in accelerating the exploitation of technological R&D in NI. | To have appointed consultants to prepare a business case for a pilot project. | |
| | Wider Markets - Forestry Recreation | Assist Forestry Service in selecting and implementing a preferred option from those presented in the consultancy report. | <p>To have assisted Forestry Service to select the preferred option from the consultancy report and shaped the potential deal.</p> <p>To have appointed consultants to create OBC for proposed option.</p> <p>To have delivered OBC for preferred option.</p> | To have assisted Forestry Service in running a competition for the selected option. |

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|--------------------|--|---|--|--|
| | Wider Markets - Forestry Wind Farms | Assist Forestry Service in assessing the potential for wind farms on Forestry Service land. | To have agreed terms of reference for the Wind Farm study. To have appointed consultants to undertake the study. | To have published the Wind Farm study's findings. |
| | Wider Markets - AFBI | Assist AFBI in the commercialisation of their business. | To have assisted AFBI in completing the strategic review currently underway. To have agreed terms of reference with AFBI for a review of their land/buildings/sites in light of the findings of the strategic review. | Appoint consultants to undertake the review of assets/estate. To have assisted AFBI in publishing an estate/asset strategy. |
| Environment | Waste Management: (Programme Level) | To have established fully functioning and resourced PDSU. With DOE, to have made the case for central government financial support for major waste infrastructure. With DOE and PDSU, to have ensured the establishment of a communication strategy for Waste Management. | To have a PDSU with full staff complement. To have PDSU working effectively with all three Waste Management Groups. To have made the best possible case for central government funding support for WM infrastructure. To have established a communication strategy. | Projects within Programme in procurement. |

| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|--------|--------------------------------|--|--|--|
| | Waste Management: ARC21 | Assist SWAMP and NWG to constitute a joint project sponsor company. | To have appointed Advisers To have jointly appointed advisors for major EFW project. | To have EFW project in procurement. |
| | Waste Management: SWAMP/NWG | Jointly appoint advisory contract for major 'residuals' contract. (Subject to approval by councils.) | To have all issues agreed and single procurement entity established and working. To have appointed advisers. | Top have joint residuals project in procurement. (Subject to approval by councils.) |
| | Water Sector Development | Support the establishment and strengthening of the shareholder function and governance frameworks. Support DRD review of NIWL Board and Operational performance. Support DRD review of medium term options building on SFR conclusions. Support NIWL activities building organisational capability. Support review of capital delivery and execution capability/risk in water sector on behalf of shareholder. | By 01/10/07 provide SIB's input to the definition of DRD's shareholder function. By 01/07/07 provide SIB's input into the review of medium term options building on SFR conclusions. By 01/07/07 complete capital delivery review on behalf of shareholder (DRD) as required by DRD. By 01/11/07 provide SIB's input into the OBC for strategic metering options. | By 31/12/07 provide shareholder with review of NIWL operational performance following interim results. |

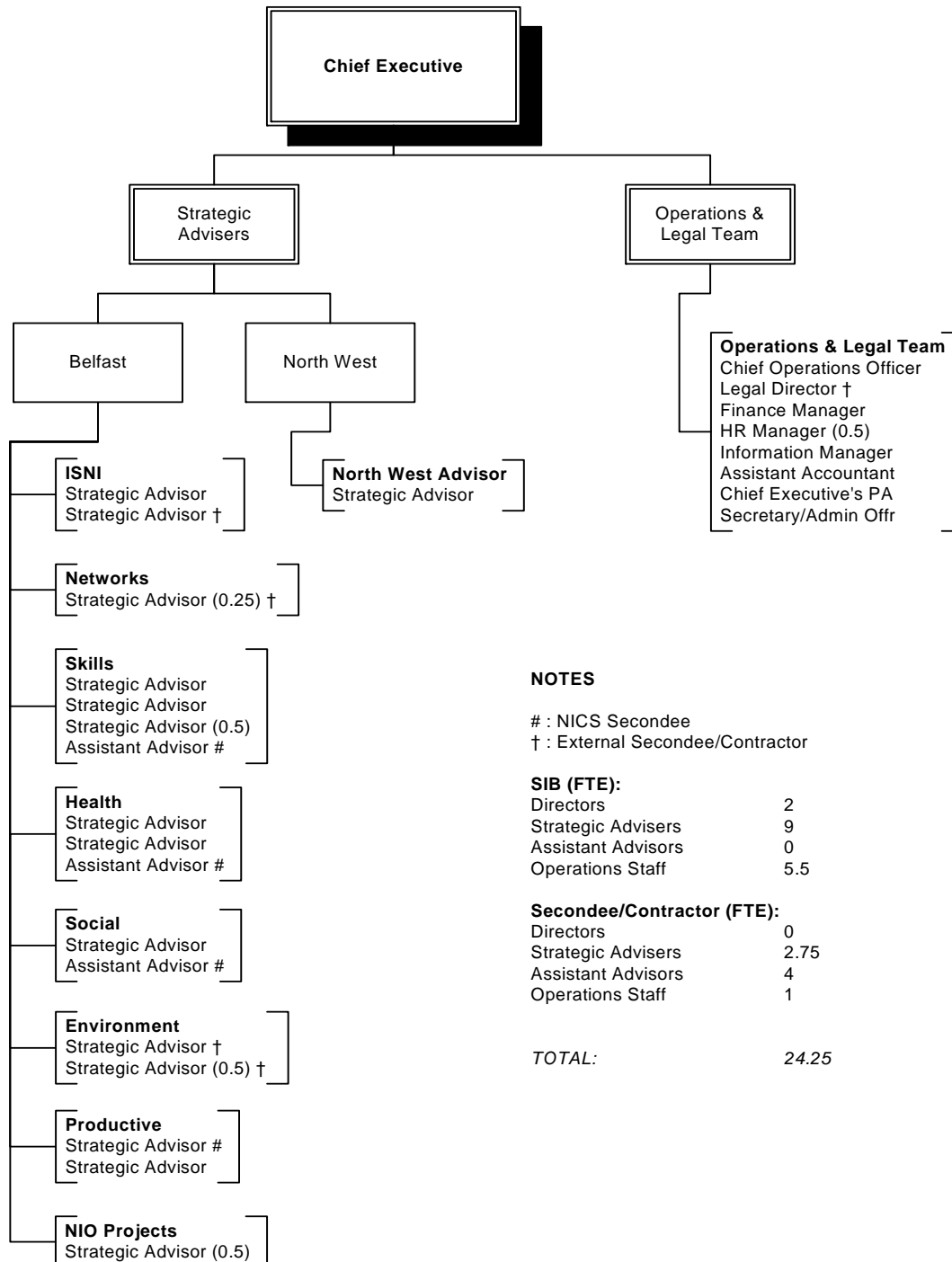
| Sector | Project | Activities | By 31 October 2007 | By 31 March 2008 |
|---------------------|----------------------------|--|--|--|
| NIO Projects | Cookstown Training College | Compiling a report for the Minister on the possible savings when considering collocating; Subject to the Ministerial decision recruit client advisors; commence the compilation of an outline business case; obtain planning approval; | Subject to the Ministerial decision, to have recruited client advisors; To have started the compilation of an outline business case. | To have obtained NIO and Treasury approval. |
| | Prisons | Conduct a benchmark of the prison service; identify the stages required to complete a strategic outline business case; conduct a needs analysis for the users of the prison; appoint client advisors; compile the outline business case. | To have conducted a benchmark of the prison service; To have identified the stages required to complete a strategic outline business case; To have conducted a needs analysis for the users of the prison; To have appointed client advisors. | To have compiled the outline business case. |
| | Forensic Science | Identify benchmarking specialists for each of the 14 business units; work with the CEO in the development of the Strategy; compile a business case. | To have identified benchmarking specialists for each of the 14 business units; To have worked with the CEO on the development of the FSNI Strategy; | To have compiled a strategic business case for a new laboratory. |

Appendix C: Board Members

| | | |
|----------------|-------------------------|----------------------|
| Tony Watson | Chairman | (since April 2003) |
| David Dobbin | Non-Executive Director | (since October 2005) |
| James Stewart | Non-Executive Director | (since April 2003) |
| David Gavaghan | Chief Executive | (since July 2004) |
| Brett Hannam | Chief Operating Officer | (since January 2006) |

Appendix D: SIB Organisation Chart

Strategic Investment Board Limited



NOTES

: NICS Secondee
 † : External Secondee/Contractor

SIB (FTE):

| | |
|--------------------|-----|
| Directors | 2 |
| Strategic Advisers | 9 |
| Assistant Advisors | 0 |
| Operations Staff | 5.5 |

Secondee/Contractor (FTE):

| | |
|--------------------|------|
| Directors | 0 |
| Strategic Advisers | 2.75 |
| Assistant Advisors | 4 |
| Operations Staff | 1 |

TOTAL: 24.25

Appendix E: Glossary of Acronyms

| | |
|--------|---|
| AFBI | Agri-food and Biosciences Institute |
| AMP | Asset Management Plan |
| AWC | Advanced Works Contract |
| BAFO | Best and Final Offer |
| BELB | Belfast Education and Library Board |
| BIFHE | Belfast Institute of Further and Higher Education |
| C2K | Classroom 2000 |
| CCNI | Construction Council for Northern Ireland |
| CODA | City of Derry Airport |
| CRG | Crumlin Road Gaol |
| CSR | Comprehensive Spending Review |
| D&B | Design and Build |
| DBFO | Design, Build, Fund and Operate |
| DCAL | department of Culture, Arts and Leisure |
| DCC | Derry/Londonderry City Council |
| DE | Department of Education |
| DF | Director of Finance |
| DFP | Department of Finance and Personnel |
| DHSSPS | Department of Health, Social Services and Public Safety |
| DID | Delivery and Innovation Division |
| DOE | Department of the Environment |
| DSD | Department of Social Development |
| DST | Decision Support Tool |
| EIPS | Education Infrastructure Procurement Service |
| EFW | Energy from Waste |
| EQIA | Equality Impact Assessment |
| EIPS | Education Infrastructure Procurement Service |
| ESA | Education and Skills Authority |
| EU | European Union |
| FBC | Final (Full) Business Case |
| FM | Facilities Management |

| | |
|--------|--|
| HR | Human Resources |
| HSSA | Health and Social Services Authority |
| ICT | Information and Communications Technology |
| ICCT | International Centre for Conflict Transformation |
| IDG | Inter-Departmental Group |
| ILEX | Derry/Londonderry Urban Regeneration Company |
| ISNI | Investment Strategy for Northern Ireland |
| ISOP | Invitation to Supply Outline Proposal |
| ITN | Invitation to Negotiate |
| JV | Joint Venture |
| KPI | Key Performance Indicator |
| NIAS | Northern Ireland Ambulance Service |
| NICS | Northern Ireland Civil Service |
| NIFRS | Northern Ireland Fire and Rescue Service |
| NIHE | Northern Ireland Housing Executive |
| NISM | Northern Ireland Schools Modernisation |
| NIWL | Northern Ireland Water Ltd |
| NIWS | Northern Ireland Water Service |
| OBC | Outline Business Case |
| OFMDFM | Office of the First and Deputy First Minister |
| OFREG | Office of the Regulator |
| OPP | Outline Planning Permission |
| OSNI | Ordinance Survey Northern Ireland |
| PCCI | Primary Community Care Infrastructure |
| PDSU | Programme Delivery Support Unit |
| PPP | Public-Private Partnership |
| PUK | Partnerships UK |
| QA | Quality Assurance |
| R&D | Research and Development |
| SBC | Strategic Business Case |
| SCNI | Sports Council Northern Ireland |
| SIB | Strategic Investment Board Limited |
| SIP | Strategic Investment Plan |
| SDP | Strategic Delivery Plan |

| | |
|-------|---------------------------------------|
| SRO | Senior Responsible Officer |
| SWAMP | Southern Waste Management Partnership |
| TOR | Terms of Reference |
| TQSP | Titanic Quarter Signature Project |
| WAN | Wide Area Network |
| WM | Waste Management |
| WMI | Wider Markets Initiative |