



**MINUTES OF THE MEETING OF THE WESTERN ISLES ENTERPRISE BOARD HELD ON MONDAY 13<sup>TH</sup> DECEMBER 2004 AT 1700HRS IN THE WESTERN ISLES ENTERPRISE BOARDROOM, STORNOWAY**

**Present:** Murdo MacIennan Chair  
Neil Campbell  
Isabel Graham  
Finlay Macdonald  
Calum Maclean  
Hector Stewart

**In Attendance:** Donnie Macaulay  
Archie Macdonald  
Gillian Morrison  
Iain Morrison  
Andrew Ross, HIE Item 10.04.7 only  
Sandra Dunbar, HIE Item 10.04.7 only

**Observers:** -

**10.04.1 APOLOGIES**

Murdo MacIennan welcomed Hector Stewart to the WIE Board. Apologies were received from Angus Campbell, Murdo Macdonald, Alex Tearse and Rachel Mackenzie.

**10.04.2 DECLARATION OF INTERESTS**

Murdo MacIennan's interest in agenda item 10.06.6 Connected Communities was noted  
Finlay Macdonald's interest in agenda item 10.04.5 (i) Operational Report was noted.  
Calum Maclean's interest in agenda item 10.04.5 (i) Operational Report was noted.

**10.04.3 MINUTE OF THE MEETING HELD 8<sup>TH</sup> NOVEMBER 2004**

The minute of the meeting held 8<sup>th</sup> November 2004 was approved by Neil Campbell and seconded by Calum Maclean.

**10.04.4 MATTERS ARISING**

9.04.9 Board Membership

Donnie Macaulay informed Members that Hector Stewart and Angus Campbell were confirmed as WIE Board Directors and have completed the necessary paperwork. DR Macleod is considering the proposal.

**10.04.5 MANAGEMENT INFORMATION**

(i) Operational Report

Donnie Macaulay confirmed that the consultants researching the Bulk Cargo Study have recommended that the West harbour at Arnish is their preferred location for bulk cargo landings into Lewis. He confirmed that further consultation will be required on many key issues including costs and investment

fund sources, willingness of businesses to relocate, and planning and environmental issues.

Members discussed issues raised by Finlay Macdonald including regulations relating to hazardous cargo being on site at Arnish. Donnie Macaulay confirmed the recommended location was apart from the Network leased site at Arnish.

Donnie Macaulay confirmed to Members that the Work Global ICT Business Development project will close at the end of the year. The two members of staff involved with the project are part of the overall WIE compliment and it is anticipated they will transfer to the Stornoway office during the first quarter of 2005 and continue within the Global Connections team.

Members noted the Northern Constabulary Sharing of Information paper and agreed to participate as recommended.

The network office notice relating to the HIE Strategy and Organisational Review was circulated to Members for information. Donnie Macaulay confirmed this would be on the agenda for the February 2005 Board meeting.

(ii) Budgetary Update

Donnie Macaulay highlighted the additional budget allocated from HIE and confirmed efforts will now focus on reducing the carry forward commitment for 2005/06, through the pursuit of spend on existing approvals.

Donnie Macaulay also confirmed that the special allocation was for the Camcal Ltd project, including equity subscription and Property spend, and the NRA allocation is directed at the completion of Phase 1 of the Arnish development.

(iii) Internal Audit Committee Update

Neil Campbell updated Members on the recent Audit Committee meeting. In line with the Terms of Reference, the Board were asked to nominate a further two representatives to sit on the audit committee. Alex Tearse and Calum Maclean were appointed to the audit committee.

Murdo MacLennan requested that a brief summary of reports put to the audit committee was incorporated in the minutes, for Board Member's information.

#### **10.04.6 MAJOR PROJECTS UPDATE**

Donnie Macaulay spoke to the Arnish update. Members noted the update.

Archie Macdonald spoke to the Connected Communities update. Members discussed issues relating to the timing of the proposed upgrade to the BT Exchanges, the differing service Connected Communities will offer and impact on project viability given the lead-in timescale.

#### **10.04.7 CORPORATE GOVERNANCE PRESENTATION BY SANDRA DUNBAR AND ANDREW ROSS, HIE**

Murdo MacLennan introduced Sandra Dunbar, Head of Internal Audit and Compliance, HIE and Andrew Ross, Head of Executive Office, HIE.

Sandra Dunbar presented information on issues relating to Corporate Governance, highlighting the responsibility of the Board and the Audit Committee for ensuring effective governance and internal controls at WIE. Key elements of good corporate governance include responsible, transparent and objective decision making, effective risk management, monitoring, and leadership and management. It was also highlighted that

with effective corporate governance measures, WIE is confident in being risk aware as opposed to risk averse.

Andrew Ross presented information relating to Standards in Public Life including principles of conduct, conflicts of interest and the responsibility Members have to ensure that interests are properly declared and the special arrangements which are in place by the Network when conflicts of interest arise.

#### **10.04.8 OTHER BUSINESS**

Finlay Macdonald requested information on the current status on Morrison Engineering. Neil Campbell declared an interest and left the meeting at this point. Archie Macdonald gave a verbal update.

Donnie Macaulay informed Members that an applications committee meeting was anticipated within the next week to consider a proposal from G S Hall and the LEADER+ Staffing paper.

With no further business, the meeting was closed.