

# FOR PUBLICATION

MG 22/05

## HIGHLANDS & ISLANDS ENTERPRISE

### MINUTE OF THE MEETING OF THE MANAGEMENT GROUP HELD ON MONDAY, 4 JULY 2005

**PRESENT:**

J R A Cumming (Chief Executive)  
G Cox (Director – Network Management System)  
D MacDiarmid (Director – Global Connections)  
S Myles (Director – Human Resources)  
W Sylvester (Director – Partnership Projects)  
Andrew Anderson (Strengthening Communities)  
Calum Davidson (Growing Businesses)  
Brian Macgill (Corporate Services)  
Anne Murray (Developing Skills)  
Charlotte Wright (Lochaber Enterprise) (Item 2 only - by VC)  
Jacqueline McDonnell (Lochaber Enterprise) (Item 2 only - by VC)  
James Gibbs (HIE Moray) (Item 4(1) only - by VC)  
A N Ross (Secretary)  
M Anderson (Executive Office)

**IN ATTENDANCE:** Maitland Hyslop (Chief Executive Designate of Ross & Cromarty Enterprise)

**1 MINUTES OF THE MEETING HELD ON MONDAY, 20 JUNE 2005 (MG 21/05)**

These Minutes were approved.

**2 NETWORK ASSISTANCE (LE 2004/00441)**

GLP L01194	<u>First Info Limited</u>	
411/L/L00775/01	<u>Intercity House, Plymouth</u>	
FTE Created: 84.00	<u>Assistance recommended</u>	
Avg wage per FTE: £13,126	Development Grant	£603,410
	To establish contact centre in Fort William	

Conditions

- (i) Conditions as set put in para 11 of paper
- (ii) Others as normally imposed

The Group welcomed this case which represented a major decision by a significant employer with bases throughout the UK to locate part of its operations in the Highlands and Islands. The proposed centre would be operated by First Info Limited, part of First Group plc, a major operator of bus and rail franchises and would primarily service rail enquiries for First Scotrail initially. Having considered in full and been satisfied, in particular, with the issues around additionality and displacement, the case had been recommended by Lochaber Enterprise for approval. The Management Group agreed to endorse the decision of Lochaber Enterprise to provide assistance of up to £603,410 towards the project and to grant a lease to the company of Phase 2 of Carn Mor House. This lease would be from the agreed date of entry until 16 April 2012, at which time there would be an option to extend until 16 April 2015. It was noted that the lease would be on a full repairing and insuring basis and that the annual rent would be £36,500 per annum plus VAT and

subject to 5 yearly reviews. The proposed basis for release of funds, tied to the achievement of actual job creation, was also endorsed.

### **3 COMMERCIAL PROPERTY ASSET MANAGEMENT CONTRACT (HIE 2004/05040)**

The process by which the retendering of the HIE Network's commercial property management contract had been undertaken was outlined to the Group. It was noted that this had been a rigorous process which had been conducted through the Official Journal of the European Union and had resulted in 5 financial tenders being submitted for consideration. It was also noted that, in addition to the functions already carried out under the existing contract, a number of additional services had been included under the proposed new arrangements. The Group welcomed the interest that had been shown by companies in bidding for this work and endorsed the proposal from the review panel that the contract should be awarded to Graham and Sibbald on the basis that their bid represented best value for the Network. Approval was given for expenditure of up to £174,900 in 2005/6 and in each of the next 4 financial years, to be met from HIE's Factoring budget. Appropriate publicity about the new arrangement was to be organised.

### **4 OTHER BUSINESS**

(1) Item removed for reasons of commercial interest.

#### **(2) AQUAPHARM BIO DISCOVERY LTD (AIE 2004/00490)**

The details set out in the paper outlining the proposed changes around the agreed milestones to be achieved prior to release of funding were noted. In the circumstances, it was agreed to amend the remaining milestone to reflect the changed emphasis of the client. The revised wording would be 'to achieve a funded collaboration with an option to licence a product or service'. In approving this change, AIE would be required to submit quarterly reports to the Management Group outlining progress being made by this company.

A Ross  
15 July 2005  
HIE 2005/02228