

## HIGHLANDS AND ISLANDS ENTERPRISE

MINUTES OF THE LEADERSHIP TEAM MEETING, MONDAY 14 OCTOBER 2013  
CHIEF EXECUTIVE'S OFFICE

|         |                       |  |
|---------|-----------------------|--|
| PRESENT | Alex Paterson (Chair) | Chief Executive  |
|         | Donnie Macaulay       | Director Regional Infrastructure                                   |
|         | Charlotte Wright      | Director Business and Sector Development                           |
|         | Forbes Duthie         | Director of Finance and Corporate Services                         |
|         | Anne MacDonald        | Head of Strengthening Communities Policy                           |
|         | Sandra Dunbar         | Head of Business Improvement and Internal Audit                    |
|         | Chris Roberts         | Head of Communications   |
|         | Sue Gledhill          | Head of Projects and Partnerships, Argyll and the Islands (item 3) |
|         | Lachie Beaton         | Senior Development Manager, Argyll and the Islands (item 3)        |
|         | David Oxley           | Area Manager, Moray (item 4)                                       |
|         | Rachel Mackenzie      | Area Manager, Innse Gall (item 5)                                  |
|         | Gordon Macdonald      | Senior Development Manager, Innse Gall (item 5)                    |
|         | Ian McCulloch         | Senior Development Manager, Innse Gall (item 5)                    |

**1 Minute of meetings held on Wednesday 03 October (24/13) and Monday 07 October 2013 (25/13) HIEA 2012/00802**

Both sets of minutes were approved.

**2 Matters arising**

There were no matters arising.

**3 Glycomar Ltd: Fifth Equity Round: AIP**

**HMS 9343991**

Argyll Area Team presented an appraisal paper, recommending equity investment of £174,996 in GlycoMar Ltd, a marine biotechnology research company based at Dunstaffnage, near Oban. HIE's investment would lever a further £705,000 for the business and enable it to continue its present research programme for 12 months. Leadership team expressed support for the business, and encouraged the Senior Development Manager to explore opportunities to connect it with other potential investors in the life sciences sector. The paper was approved.

**4 Elgin Business Park (Barmuckity) Infrastructure: AIP**

**HMS 9342212**

The Area Manager for Moray presented an appraisal paper recommending a loan of £2.7m to Elgin Business Park Ltd, a subsidiary of Springfield Properties plc, to provide infrastructure towards the development of a new business park at Barmuckity in Elgin. HIE had previously succeeded in a bid for shovel-ready funding from the Scottish Government for this project. Discussion focused on the need to ensure that the proposed development would be of high quality and attract businesses whose activities would contribute towards local economic development. Leadership Team agreed to support the recommendation, subject to obtaining confirmation from the Scottish Government that shovel-ready funding remains available. It was also agreed that the paper should go to the HIE Board for decision in October.

**5 Isle of Harris Distillers Ltd: AIP**

**HMS 9340225**

The Innse Gall area team presented an appraisal paper seeking HIE grant funding totalling £1,250,000. to Isle of Harris Distillers Ltd, comprising £900,000 towards establishing a

distillery and £350,000 for future warehousing. The proposed development includes a new visitor attraction on Harris and is forecast to create an initial 15 FTEs in a fragile area in 2014, rising to 21 by 2021. Leadership Team expressed strong support for the project. The distillery element (£900,000) was approved, subject to a number of pre-payment conditions which were set out in the appraisal paper. The area team should also seek clarification from HIE's Property and Legal teams that HIE has the authority to grant a 90-year sub-lease to the applicant, as requested. The warehousing element (£350,000) was approved in principle, but will require a more detailed paper to be presented in due course.

**6 Office of the 21<sup>st</sup> Century 2012-14: AIP**

**HMS 9342679**

The Director of Finance and Corporate Services presented an update on various IT investment projects which had been brought together to create the ongoing Office of the 21<sup>st</sup> Century (O21C) initiative, and sought approval to approve the next stage of O21C projects. In discussion, it was agreed that a revised paper should be prepared, detailing clearly which elements of the project had already been delivered and which were still being planned.

**7 Any other business**

None.

Chris Roberts  
14 October 2013  
HIEA 2012/00802