

## MINUTE OF THE BOARD MEETING HELD ON FRIDAY 2 DECEMBER 2016 AT 12.00 NOON AN LÒCHRAN, INVERNESS CAMPUS

**PRESENT:**

Lorne Crerar (Chairman)  
Charlotte Wright (Interim Chief Executive)  
Amanda Bryan  
Paddy Crerar  
Alistair Dodds  
Ailsa Gray  
Donald MacDonald  
Donald MacRae  
Iseabail Mactaggart (by phone)  
Belinda Oldfield  
William Swann

### IN ATTENDANCE:

Fergus Ewing MSP	Scottish Cabinet Secretary for Rural Economy and Connectivity
Oonagh Gil	Head of Enterprise and Cities, Scottish Government
Forbes Duthie	Director of Finance and Corporate Services
Douglas Cowan	Director of Strengthening Communities
David Oxley	Acting Director of Business and Sector Development
Sandra Dunbar	Head of Business Improvement and Internal Audit
Karen Moncrieff	Head of Human Resources
Chris Roberts	Head of Corporate and Media Relations
Alastair Nicolson	Head of Planning and Partnerships
Alison Lyner	HIE Solicitor, item 3.1
Keir Marshall	HIE Solicitor, item 3.1

## 1 STANDING ITEMS

### 1.1 Welcome and apologies

The Chairman welcomed everyone to the meeting, in particular the Cabinet Secretary for Rural Economy and Connectivity, and the Head of Enterprise and Cities, Scottish Government.

On behalf of the Board, Professor Crerar congratulated Robert McIntosh on his recent appointment to the Scottish Land Commission, and Amanda Bryan, who had been appointed Shadow Chairing Member of Crown Estate Scotland (Interim Management).

Apologies were received from Robert McIntosh.

### 1.2 Declarations of interest

Professor Crerar declared an interest in item 3.1, HIE Legal Services Framework. It was agreed that Alistair Dodds would chair this item, and that Prof Crerar would leave the meeting when it was considered.

## **2 STRATEGIC DISCUSSION WITH CABINET SECRETARY**

### **2.1 Refreshing our vision and priorities: HIE Operating Plan 2017-20**

The Head of Planning and Partnerships gave a short presentation on work that is under way to refresh HIE's vision and priorities and shape the organisation's next three-year Operating Plan, which will come into effect on 1 April 2017. The new plan was being created to align fully with Scotland's Economic Strategy, and would guide HIE's contribution to the achievement of national priorities to achieve prosperity through increased investment, internationalisation, innovation and inclusive growth.

### **2.2 Strategic Direction from the Cabinet Secretary for Rural Economy and Connectivity**

The Cabinet Secretary opened by paying tribute to Calum Davidson, HIE's former Director of Energy and Low Carbon, who had recently retired. Mr Ewing praised Mr Davidson's outstanding contribution to the development of the renewable energy sector, which had been acknowledged the previous evening at the annual Scottish Green Energy Awards.

The Cabinet Secretary then welcomed Mr Nicolson's presentation, and confirmed the Scottish Government's commitment, as expressed in the phase one report of the Enterprise and Skills Review, that HIE was performing well and would remain in place as the development agency for the region. Improved alignment of enterprise and skills delivery across Scotland would be a critical outcome of the Government's current review, which had now entered its second and final phase. It would also be vital for agencies to pursue greater alignment with local authorities, and engage with individual businesses and umbrella organisations in order to achieve the best outcomes for Scotland. Mr Ewing concluded by inviting HIE Board members to put forward their ideas, which he undertook to convey to the Cabinet Secretary for the Economy Jobs and Fair Work, who was chairing the Review, and to the Deputy First Minister, who chairs the Convention of the Highlands and Islands.

### **2.3 Strategic discussion**

The Chairman introduced a discussion on HIE's strategic direction and invited each Board member to contribute their own views. Professor Crerar affirmed HIE's appetite for collaboration with other public, private and third sector bodies, the agency's commitment to support the Enterprise and Skills Review to deliver positive outcomes, and its desire to play its part in the new national board that had been announced in the phase one report. The Chairman underlined the important role currently played by the HIE Board, which was uniquely placed to understand the needs of the region's businesses and communities, and had been central to HIE's record of success over several decades.

*[Paragraph withheld as publication at this time could have a detrimental impact on the effective conduct of public affairs.]*

The Cabinet Secretary thanked Board members for their contributions to the discussion. It was agreed that invitations to hold further discussions would be sent to the Cabinet Secretary for the Economy, Jobs and Fair Work, and to the Deputy First Minister.

*Professor Crerar, Fergus Ewing, Oonagh Gil and Alastair Nicolson left the meeting.*

*The remainder of the meeting was chaired by Alistair Dodds.*

### **3 INVESTMENT PROPOSAL**

#### **3.1 Joint legal services framework**

HIEA 2016/00761

*Alison Lyner and Keir Marshall joined the meeting.*

The HIE Solicitors presented a paper recommending the award of a new, zero value, legal services framework, in collaboration with Scottish Enterprise. The Board noted that HIE had entered into a joint framework with Scottish Enterprise (SE) for the delivery of legal services in 2012, and that the arrangement had been judged to have worked well for both parties, achieving value for money through sharing best practice and aggregated buying power. The joint procurement exercise, which was due to expire on 24 December 2016, was in line with the Scottish Government's shared services agenda.

A procurement process, managed by SE, resulted in 22 organisations expressing interest, and nine submitting tenders, all of which were compliant. Following evaluation by HIE and SE, it was now recommended that four suppliers should be appointed to the framework for a period of four years from 24 December 2016. The four were: Burness Paull, Shepherd and Wedderburn, CMS Cameron McKenna, and Brodies. It was also recommended that the HIE portion of the joint framework be managed by the HIE Solicitors; that all existing call-off contracts already instructed with legal suppliers be taken to a natural review point and, when appropriate, transferred to the new framework, and that SE and HIE would monitor performance to ensure expectations were met.

Following discussion, the Board approved these recommendations.

*Alison Lyner and Keir Marshall left the meeting.*

### **4 ANY OTHER BUSINESS**

#### **4.1 Forthcoming Board dates**

It was noted that the next scheduled meeting of the HIE Board would be at 10.00 am on 13 December 2016, and would be preceded by a short meeting of the Risk and Assurance Committee, starting at 9.30 am. Both meetings would take place in An Lòchran, 10 Inverness Campus, Inverness

Chris Roberts  
2 December 2016