

**BOARD MEETING**  
**COINNEAMH BÙIRD**

**MINUTE OF THE HIE BOARD MEETING HELD ON TUESDAY 28 APRIL 2020**  
**THIS MEETING TOOK PLACE BY SKYPE AUDIO CONFERENCE**

**PRESENT:** Alistair Dodds (Chair)  
Carroll Buxton  
Amanda Bryan  
Angus Campbell  
Paddy Crerar  
Ailsa Gray  
Donald MacRae  
Robert McIntosh  
Freda Newton  
Belinda Oldfield  
Calum Ross

**IN ATTENDANCE:**

Nick Kenton	Director of Finance and Corporate Services
Douglas Cowan	Director of Communities and Place
David Oxley	Director of Business Growth
Martin Johnson	Interim Director of Strategy and Regional Economy
Karen Moncrieff	Director of Human Resources
Sandra Dunbar	Director of Business Improvement and Internal Audit
Marion McCormack	Head of Enterprise Sponsorship, Scottish Government
Adrian Kitson	Head of Executive Support
Greg Youngson	Property Development Manager, item 3.1
David Howie	Project Lead, Space Hub Sutherland, item 3.3a
Elaine Hanton	Interim Project Lead – Cairngorm, item 4.1
Dave MacLeod	Head of Property and Infrastructure, item 4.1
Ruaraidh MacNeil	Project Director Inverness Campus, items 4.2a and 4.2b
Steven Hutcheon	Acting Regional Head of Technology and Innovation, item 4.2b

**1 STANDING ITEMS**  
**CUSPAIREAN COTHROMACH**

**1.1 Welcome and apologies**

The Chair welcomed everyone to the meeting. Apologies were received from Rachel Hunter.

**1.2 Declarations of interest**

Angus Campbell noted an interest in relation to agenda item 3.3a Space Hub Sutherland as the Deputy Chair of Scottish Natural Heritage. It was agreed that this was not a financial conflict and Angus should remain for the discussion.

Martin Johnson noted an interest in relation to item 4.2.b Academy Zero Project and will leave the room when this item is discussed.

The Chair outlined the need for extra vigilance with regards to conflicts of interest with the ongoing funds to support businesses and community organisations with Covid-19 and the need to ensure that all interests were declared. The Director of Business Improvement and Internal Audit (BIIA) had prepared a useful note which will be issued to the Board after the meeting. It was noted that if any of the Board members had any questions, advice was available from the Interim Chief Executive, the Director of BIIA and the Head of Executive Support (HIE Standards Officer).

### **1.3 Minute of Board meeting held on 18 February 2020**

The minute was approved with some minor amendments.

#### **1.3a Minute of the Extra Board Meeting held on 03 April 2020 – Covid-19 Update**

The minute was approved.

#### **1.3 b Minute of the Extra Board Meeting held on 07 April 2020 – Supporting Communities Fund**

The minute was approved.

### **1.4 Matters arising from the minutes**

There were no matters arising from the minutes that were not covered in the meeting agenda.

### **1.5 Chair and Chief Executive update – April 2020**

The Interim Chief Executive reported that in relation to Covid-19, HIE were ensuring that the fund meets current needs. This is challenging and HIE is expecting a high volume of applications. The Interim Chief Executive noted thanks to all staff working on this.

XpoNorth has been cancelled but digital events are proceeding. The model works well and will be reviewed to identify if there are wider uses.

Due to the R100 rollout stopping due to Covid-19, the Connected Communities decommissioning work has been suspended and the network operation extended for a further three months at a cost of £65k.

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

The Area Manager for Lochaber, Skye and Wester Ross, Robert Muir retires at the end of April. Alastair Nicolson will be stepping in on a temporary basis as the Acting Area Manager. Alastair's appointment is for six months and HIE plan to launch recruitment for a permanent Area Manager once COVID-19 restrictions are lifted.

A meeting with representatives from banks and business organisations took place on 9 April 2020 to allow an opportunity to update and for the sharing of information.

The Board had a number of questions for the Interim Chief Executive from the update paper, including whether the £4.0m capital fund for community-owned electricity networks in Scotland was only for Shetland. The Interim CE to confirm the understanding that this was for all seven of the community owned networks in Scotland.

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

The Board were also keen to understand work with other agencies on the COVID business funds. It was outlined that Scottish Enterprise has been liaising with others on the Hardship fund. This had been challenging at times with positive but robust discussions around agreeing governance arrangements for the application and approval process. Scottish Government want the fund to be quick and easy to access with light touch due diligence. This will be a digital process with HIE able to view and assess all applications from a place based approach. It was agreed that if Board members had any questions the Interim Chief Executive was happy to discuss once the final criteria are known.

HIE is working closely with South of Scotland Enterprise (SOSE) and Local Authorities looking towards planning for recovery.

The Board noted that it was good to see demand on the Scottish Land Fund. HIE has been awarded a grant of £599k from Scottish Government to deliver the Scottish Land Fund for 2020-21. The fund continues to be under significant pressure. Nine cases (£1.5m) were considered in March, of which 6 were awarded a total of £0.6m from an available budget of £0.7m. Three awards were in the HIE region. A total of 22 applications have been received for the May 2020 meeting, with a collective funding ask of over £8.0m (90% of budget for the full year).

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

The acting Chair met with Benny Higgins who has been asked by the Cabinet Secretary for Economy, Fair Work and Culture to lead on independent group to advise the Scottish Government on Scotland's economic recovery from Covid-19. The group are looking to make recommendations to Government and will be speaking to Enterprise Agencies and others for input.

The acting Chair updated the Board that the Chief Executive, Charlotte Wright, will be returning from extended leave and will be back on a full time basis from June. The Chair took the opportunity to thank Carroll Buxton who has been acting as Interim Chief Executive during this period for the great job that she had done, working well with Leadership Team in difficult times.

The acting Chair also notified the Board that he had been appointed as the Chair of Highlands and Islands Enterprise on a permanent basis from 1 May 2020. This is to remain confidential until formally announced by the Scottish Government. Meetings will be organised with all Board members and Leadership Team over the next few weeks. It was also noted that Donald MacRae will Chair the Risk and Assurance Committee meeting in June and Paddy Crerar will Chair the Remuneration Committee being held today with Alistair Dodds and Donald MacRae as members.

The Board members congratulated the acting Chair on his appointment and noted their appreciation to Carroll Buxton for doing a great job.

## **2 RESOURCES AND GOVERNANCE** **GOIREASAN IS RIAGHLACHAS**

### **2.1 Opening Budgets 2020/21**

The Director of Finance and Corporate Services updated the Board, noting the draft budgets HIE had worked on pre-Covid, as these were discussed at the February Board. It was recalled that HIE started the new financial year with a £4.0m (13.6%) reduction in revenue budget which would make for a very challenging year even in normal times. *[Sentence removed in the interests of the effective conduct of public affairs.]*

Another key part of the context is the Changes to Governance, Internal Control and Risk Appetite which are the subject of a later paper. In particular, the proposed revenue budget reflects a conscious decision to increase risk

appetites in budget setting. *[Sentence removed in the interests of the effective conduct of public affairs.]* It is expected that further existing legal and moral commitments will fall away as the lockdown continues. It is proposed that HIE set this budget and continually review it – with a formal revision after the end of Quarter 1.

For capital, there has not been much in the way of formal declaration of slippage and because of that the *[Sentence removed in the interests of the effective conduct of public affairs.]* It is expected that this will dissipate quite quickly and if the first quarter's planned construction activity on Top Sliced projects was to be deferred beyond June then the negative reserve would be eradicated by Quarter 2. Headroom is therefore expected on capital.

Close contact is maintained with SG colleagues and we continue to explore opportunities to bring in-year funding to HIE and the region. The Supporting Communities fund could bring about £5.0m into the region. HIE also expect to be involved in a Hardship Fund and Resilience Fund which will also bring resources into the region.

The Board asked whether, if Covid results in a significant drop in capital expenditure to the extent that the budget is not spent, HIE can use the surplus to support businesses through the Covid crisis by providing capital or must it be revenue. The Director of Finance and Corporate Services noted that it would be easier to use revenue and confirmed that HIE has already asked SG for permission to transfer capital resources into revenue, but this has been rejected for now as any flexibility has already been used.

The Head of Enterprise Sponsorship, Scottish Government noted that the Government were looking ahead and taking into consideration the impact of slippage and the economy looking different at the end of this. SG is keeping close contact with finance colleagues to identify gaps and how these will be filled.

The Board agreed the opening budget noting that this will be reviewed at the end of Quarter 1, thanking the Director for the helpful paper and the pragmatic approach taken and asking that pressure be kept up on the transfer from capital to revenue.

## **2.2 Financial Statement to March 2020**

The Director of Finance and Corporate Services was pleased to report to the Board that on the basis of the draft outturn HIE has met all financial targets, highlighting that this was a great effort by the whole organisation especially as the crucial last week of the financial year took place under lock down and home working.

The outturns will be subject to change with final accruals and with any changes required during the audit process.

The HIE Pensions Scheme deficit is slightly lower on the balance sheet valuation at the 31 March. In terms of pensions guarantees for the HIE scheme and the four LGPS schemes, there was a positive meeting on this with SG who undertook to put a note to ministers to update all LGPS Guarantees. The HIE scheme is more complicated and will form part of a wider review of Non Departmental Public Bodies (NDPBs).

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

The Board thanked the team, recognising that this is a difficult process under the current circumstances.

## **2.3 Performance update at year end**

The Interim Director of Strategy and Regional Economy presented a paper which provides an interim draft set of outcomes for the year. Data is still being reviewed and a fuller analysis will be provided for inclusion in the Annual Accounts and full End Year Report which will be submitted to the Board in June. It was originally intended that updates to performance ladders such as the Business Values Ladder (which aligns with the Scottish Government Fair Work criteria) would be made throughout March and this was paused due to the impact of COVID-19 on our clients.

HIE did not achieve targets in four areas. 1) Increase in international sales; 2) Number of new international exporters – this has been made difficult due to Brexit and the trading nation report regarding the approach. There have also been changes to Scottish Development International (SDI) staff and budget. Fundamentally this was due to market conditions; 3) Number of clients newly engaged in fair work practices – the target was not achieved however requests for updates to the Business Values Ladder due to take place in late February and through March were paused due to the impact of COVID-19 and 4) Number of community organisations with increased capacity.

With regards to the number of community organisations with increased capacity, there is limited data to report this year. A challenging target had been set and there is an opportunity to review.

The Board noted that it was good to see the jobs supported and created figures. It was felt the outturn on community capacity potentially highlights a need for greater input of resource with certain communities. The Interim Chief Executive confirmed that this was going to be touched-on with a more refined approach on strategic interventions. The Director of Communities and Place confirmed that the figure was provisional and required a cross check to ensure that all activity had been captured.

The Board welcomed the report and requested that an annex be added to the next report to expand on the definitions. An update would be provided at the next Board meeting for the year end.

## **2.4 Corporate Risk Register**

The Director of Business Improvement and Internal Audit provided a brief update outlining that this is the first Corporate Risk Register that has been collated using the new Risk Management processes adopted by HIE.

Key changes implemented are 1) Adoption across HIE of a new Risk Register template; 2) Move to 5x5 risk scoring matrix; 3) Capture of original, current and target risk scores; 4) Differentiation between controls in place and future risk actions and 5) Risk management training provided to staff.

In addition to all the Directorates and Area Offices adopting the new Risk Register format it has been agreed by the Leadership Team that HIE will run a Covid19 specific risk register to help coordinate HIE's response to the pandemic and to help identify, track and manage the associated risks.

The Board noted the register and how clear it was and were appreciative of the work undertaken on this by the Director of Business Improvement and Internal Audit and colleagues.

## **2.5 Risk and Assurance Committee Minute – 03 March 2020**

Donald MacRae as the Interim Chair of the Risk and Assurance Committee (RAC) updated the Board on a number of very informative updates that were discussed. It was noted that Covid has impacted on a number of issues however the committee was reassured that there were internal control arrangements which had been put in place to mitigate any risks.

On EU funds, Amanda Bryan asked if there was a lack of evidence to support claims, and if systems were in place. The Director of Business Improvement and Internal Audit explained that the programmes started prior to the rules being issued in full by the Scottish Government and guidance was amended post commencement. Lessons have been learned and key lessons drawn-out. A copy of the report is to be provided to Ms Bryan.

The Chair requested an update be provided to the RAC noting the degree of urgency. The Interim Director of Strategy and Regional Economy outlined that following the Committee meeting a paper was presented to the Leadership Team outlining the actions to be taken, and that updates will be provided to the RAC and Board.

A further question was received in relation to maverick spend in relation to procurement. The Director of Finance and Corporate Services provided an explanation on the term used and agreed to confirm the scale.

## **2.6 Covid-19**

### **2.6.a Planning Update**

The Interim Director of Strategy and Regional Economy presented an update on the HIE response to Covid-19.

The first few weeks of lockdown since late March have been focused on responding to the immediate crisis, working with partners to ensure the impacts on our region and clients are understood and supported at local, national and UK levels.

The long-term vision remains unchanged, however the strategy and operating plan will now focus on resilience and recovery from the impacts of COVID-19. HIE is promoting the collaborative Find Business Support website as the digital-first response for information and signposting, as well as promoting the national COVID 19 helpline. We have engaged with all our supported businesses, social enterprises and communities and via this are completing a data set of COVID 19 issues for analysis to inform policy decisions.

In the short-term our focus will be on Response and Reset, and to play our part in maximising the Region's ability to weather the economic crisis, supported by a robust plan for recovery.

At this very early stage, the focus is on Resilience. However, Restart and Recovery will inform our prioritisation, targeting and identification of key businesses, social enterprises and other organisations. Therefore, sector teams will consider Recovery as part of their prioritisation exercise.

The Board asked how HIE was taking soundings from the business community to inform the process and how frequently the data is refreshed. There is a huge amount of intelligence available via the enquiry service and Find Business Support as well as a large range of other sources. The data is updated frequently and meetings are held on a regular basis with SG with issues from Account Managers feeding into SG via these meetings. This is working with issues dealt with quickly.

The Board were keen to understand if businesses were able to access the information they require. It was confirmed that the main digital portal helps, but it was acknowledged that there is a need for HIE to ensure requirements of our region are appropriately addressed through our direct engagement. The Board welcomed the informative, clear and well put together update noting the need to keep the data refreshed and to continually raise the awareness of the Highlands and Islands position with SG and other partners.

## **2.6.b Changes to Governance, Internal Controls and Risk Appetite**

The Director of Business Improvement and Internal Audit presented a paper outlining key changes made as part of HIE's response to Covid19. A new working environment has been quickly established and areas identified where internal control and governance arrangements (including risk) need to adapt to support HIE address the unprecedented operating and strategic challenges. The changes are in 3 key areas:

- 1) Policy and Process requirements - To ensure that HIE has been able to identify and respond quickly where process or policy has required to be changed in light of Covid-19.
- 2) Strategic priorities and Delivery Approach - Aligned to our Business Improvement priorities we have reviewed our delivery approach to ensure it meets the needs of HIE and our clients. This approach includes the implementation of an Investment Committee which has been put in place to support HIE activity.
- 3) Risk Appetite and Covid19 Risk Register - Having risk management arrangements which support and enable HIE decision making and resource choices in support of our strategic priorities and our delivery arrangements are important components of good governance.

The Board, noting that this was an important paper, questioned how the Investment Committee fits with the HIE Leadership Team. The Director of Business Improvement and Internal Audit outlined that strategy and delivery implications were wider than Covid and there is a need to ensure that for the themes that emerge HIE can resource the changes required. Delivery model changes will require to reflect changes in the external environment such as FindBusinessSupport, new funding sources such as SNIB and budget positions. The investment committee will act as an interface for effective implementation of policy and strategy as opposed to diluting the role of the Leadership Team. The Interim Chief Executive noted that "Investment Committee" was possibly not the best description and it is not intended to cut across Leadership Team or delegated authorities already in place.

The Chair noted that a review of the arrangements would be taking place in six months and noted that this would be working in conjunction with the current scheme of delegation.

## **2.6.c COVID-19 Specific Risk Register**

The Director of Business Improvement and Internal Audit provided a brief update on the Covid-19 specific risk register outlining that it is an articulation of analysis of the impact at all different levels with a focus on Covid issues.

The Board thanked the Director and the Business Improvement Manager for the work done on this noting that it was helpful to see the change in approach.

## **2.6.d Business Support Funding**

The Director of Business Growth provided a brief update on the fund noting that much had been covered in previous updates. Work is underway to get this to the delivery phase and funds being allocated to the right businesses. Work was ongoing on how to move from initial application to payment and how to implement, by the end of the week. Much progress has been made to ensure a regional approach that will work for HIE and South of Scotland Enterprise (SOSE) areas.

The Board asked about the HIE role in the decision making process for the hardship and resilience funds and if there were any issues with resourcing this. The Interim Chief Executive outlined that, for the Hardship Fund, it was based on high level yes/no appraisal criteria. Agencies will have a 48-hour window to review recommendations on a case by case basis and identify outliers. For the resilience fund, HIE will undertake the due diligence. The process will be light touch with a team approach. All account managers will be involved

with additional resource provided from the core to support. The timescales are now at 10 days which is up from the original 5-7 days for turnaround.

The Board noted the effort that has gone into this and expressed their thanks to all involved and in particular to Nicola Douglas and Janie Sheridan.

### **2.6.e Community Funding**

The Director of Communities and Place provided a brief update on the fund following the extra Board meeting of 7 April 2020. Since the Board provided the approval to proceed, HIE has continued to engage and work with SG on the process and offer letter to reflect the need to release funding at pace.

There have been 101 applications approved totalling £2.1m. Approvals are being made on a daily basis by the oversight group with offers also being issued daily. Payments of circa £400k have already been made. Discussions have started around what is required moving forward.

The Board welcomed the impressive progress made and asked about gap analysis to ensure equity of opportunity. The Director confirmed that any gaps identified were being filled as the process progressed.

The Board thanked the team for the quick response and for all of the work undertaken.

## **3 INVESTMENT DECISIONS** **CO-DHÙNAIDHEAN AIRGEAD-TASGAIDH**

### **3.1 Property Factoring 2020/21**

*Greg Youngson joined the meeting.*

The Property Development Manager presented a paper seeking approval of HIE cash funding totalling £3,672,067 gross and £1,992,912 net spend (following recovery of head lease rent, service charges and insurance costs) to Property & Infrastructure Team, Strategy & Regional Economy Directorate, for Property Factoring & Associated Consultancy in 2020/21. These costs are part of the HIE business support cost budget.

The commercial property portfolio is valued at £31.19m (as per the draft 31 March 2020 valuation) and is managed by a Property Managing Agent, currently Graham & Sibbald. To properly manage the portfolio, it is necessary for HIE to incur annual expenditure and the mechanism for accounting for this is through the Property and Factoring Consultancy budget approval. Costs include Factoring Costs and Service Charge Recoveries; Inverness Campus; Property Insurance Premiums; Consultancy and Small Projects; Cairngorm Mountain; Subscription for Property Information Portal and Property Marketing.

The Board approved the request for funding noting the need to monitor the budget for any impacts as a result of Covid-19. It was also agreed that a paper would be presented to a future Board meeting on the strategic objectives for the property portfolio.

*Greg Youngson left the meeting.*

### **3.2 Co-Innovate Programme Extensions**

The Director of Business Growth presented a paper seeking HIE Board approval to an extension of the Co-Innovate programme. The HIE Board approved HIEs participation in the Interreg VA Cross-Border Programme for Territorial Co-operation 2014-2020 Northern Ireland, Border Region of Ireland and Western Scotland in December 2016. The programme partners have since submitted a request to SEUPB, and had this approved, to extend the programme by 6 months to September 2020. This was approved by the HIE Leadership Team in March 2020 with a request that the HIE Board homologates the decision.

The Board asked if there was potential issue to claim back elements if targets are not met. The Director confirmed that there is a risk and Covid-19 could impact, however there is close liaison with the organising body. The risk is being managed and it was noted that the greater risk is in stopping activity.

The Board approved the request for an extension to the programme by 6 months to September 2020.

### **3.3 Space Programme – update paper**

The Interim Director of Strategy and Regional Economy presented a paper providing a short update on space-related activities across the HIE Region. The Scottish Government Space Group made up of senior representatives of SE, HIE, SDS, SFT with SG’s space team meets monthly to share information and is now beginning to look to develop a Scottish Space Strategy. Good progress is being made on areas of common ground. HIE has written to SG seeking confirmation of the strategic status of Space Hub Sutherland, in anticipation of forthcoming HIE Board consideration.

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

The Board welcomed the helpful summary emphasising the need for HIE to keep on top of this and to influence SG and what is happening.

#### **3.3a *[Paragraph removed in the interests of the effective conduct of public affairs.]***

The Board recognised the amount of work going into this and thanked the team for all their ongoing efforts.

*David Howie left the meeting.*

## **4 UPDATES CUNNTASAN AS ÙR**

### **4.1 Cairngorm Mountain**

#### **4.1a Masterplan Summary**

#### **4.1 b Masterplan Vision and Strategies – Part 1**

#### **4.1c Masterplan Vision and Strategies – Part 2**

*Elaine Hanton and Dave MacLeod joined the meeting.*

### **Cairngorm Update**

It was agreed that the Interim Project Lead – Cairngorm and the Head of Property and Infrastructure would cover all of the papers together. Following the consideration of the Outline Business Case at the Board’s February meeting, it had been hoped that a Full Business Case would be presented for decision however, Covid-19 issues have impacted on all aspects of the programme and caused delays. This paper provides an update on actions taken in light of the current emergency, reports on an options appraisal for Cairngorm Mountain (Scotland) Ltd, and updates on progress with the funicular repair option, masterplan, budget and legacy issues.

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

A report will be brought back to the Board when this work is fully completed. The Operating company and the Funicular are intrinsically linked.

With regards the Funicular, a planning application for the required strengthening works was submitted to the Highland Council on 11th March 2020 and, as expected, was called in by the Cairngorms National Park Authority (CNPA).

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

A full update will be provided to the Board when available.

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

The Board noted that they were happy with the recommendations made at section 12 of the update and thanked the Interim Project Lead – Cairngorm and the Head of Property and Infrastructure for progressing this and looked forward to receiving the business plan.

### **Masterplan Summary**

With regards the masterplan, the Head of Property and Infrastructure stressed that the Vision Workshop is not a draft of the Masterplan – it is a working document to discuss and develop strategies for the next phase of the Masterplan and should be considered in this context. The team are reviewing the survey results within the document, which will be analysed and summarised before the next phase of the Masterplan.

Next steps include the creation of a document for engagement with the 5 key stakeholders: CMSL/ SNH/ CNPA/ HC/Forestry & Land Scotland.

The Board welcomed the approach and were keen to understand if HIE could arrive at a business model that was sustainable taking into account the views of stakeholders and the costs. The Head of Property and Infrastructure confirmed that HIE was looking for a plan fit for the future of Cairngorm and not an operating plan for CMSL. HIE would be looking to RSM to support the evaluation of impact and on good practice governance and operating models.

The Board noted their thanks for the good work and looked forward to receiving further updates.

### **Section 23 Report**

The Director of Business Improvement and Internal Audit reported that a first draft of the report had been shared with the sub-group. It was noted that HIE needed to go back on some points and areas where further evidence can be provided and Audit Scotland were open to considering these.

The Chair noted that the report was fair and generally positive and would wait to see the final version.

It was asked if the Board would be interested in a session on the masterplan. It was agreed that this would be useful and should be arranged.

*Elaine Hanton and Dave MacLeod left the meeting.*

## **4.2 Inverness Campus**

### **4.2a Life Science Innovation Centre**

*Ruaraidh MacNeil joined the meeting for items 4.2.a and 4.2.b.*

The Project Director Inverness Campus presented a paper providing an update on this project noting that background to this project has been the subject of several HIE leadership Team (LT) and HIE Board papers over the last 3 years, with the latest being the Board Update in December 2019.

In January 2020 NHS Highland expressed its requirement to acquire the entirety of Campus Plots 3, 4 and also part of Plot 5. This was following discussions with the Highland Council planning department and is essential if they are to maintain progress with the Elective Care Centre. The original (3-way) development with NHS Highland on Plots 3, 4 and 5 of Inverness Campus did not require any additional site servicing measures. After

careful consideration with UHI, Plot 15 emerged as the most appropriate location for the LSIC development, although this would require that site to be “opened up”.

The original overall approved budget of £3.987m did not include the £300k for the access road, but remains the target for the project team although financial risk has increased due to the time lag and the fact that abortive costs have been incurred on professional fees. Ultimately, if the project cannot be delivered within the original budget HIE has the option of withdrawing from it altogether. Progress remains on track and a further paper to the Leadership Team and Board will follow later in the year.

The Board confirmed that they were happy with the direction of the project.

*[Paragraph removed in the interests of the effective conduct of public affairs.]*

*Ruaraidh MacNeil and Steven Hutcheon left the meeting. Martin Johnson re-joined the meeting.*

### **5.1 Ardersier Write Off**

This paper was noted.

### **5.2 Glasgow School of Art**

This paper was noted.

### **5.3 Business Transformation / SEP**

This paper was noted.

### **5.4 Any Other Business**

The Chair on behalf of the Board thanked the Interim Chief Executive, Carroll Buxton, for all that she had done over the last 12 months noting that her commitment, quality and effort had been exemplary.

The interim Chief Executive thanked the Board for their support and for the support colleagues had provided during this period.

### **5.5 Forthcoming meeting dates**

- 02 June 2020, Risk and Assurance Committee meeting
- 30 June 2020, Board Meeting

**Note:** Board members Calum Ross and Belinda Oldfield left the meeting during Item 4.1a/b and were not present for items 4.2a, 4.2b and items 5.1 to 5.5.

Adrian Kitson  
Head of Executive Support  
28 April 2020