

BOARD MINUTE

16 DECEMBER 2025

Highlands and Islands Enterprise

APPROVED



BOARD MEETING COINNEAMH BÙIRD

MINUTE OF THE HIE BOARD MEETING HELD ON TUESDAY 16 DECEMBER 2025, STARTING AT 09:30 IN AN LÒCHRAN, INVERNESS CAMPUS

PRESENT (INVERNESS)

Angus Campbell (*Chair*)
Stuart Black (*Chief Executive*)
Allan Clow
Freda Newton
Ailsa Raeburn
Calum Ross
David Wilson

IN ATTENDANCE (INVERNESS)

Sandra Dunbar Director of Corporate Services
Martin Johnson Director of Strategy and Regional Economy
Karen Moncrieff Director of Human Resources
David Oxley Director of Strategic Projects
Chris Roberts Head of Communications
Elaine Hanton Project Lead, Cairngorm, item 3.1
Peter Dennis Project Manager, Cairngorm, item 3.1
Peter Mearns Chair, Cairngorm Mountain (Scotland) Ltd, item 3.1.1
Mark Tate Chair Designate, Cairngorm Mountain (Scotland) Ltd, item 3.1.1
Mike Gifford Chief Executive, Cairngorm Mountain (Scotland) Ltd, item 3.1.1
Elain MacRae Head of Energy, item 3.4
[Name redacted for data protection] Senior Development Manager, Energy, item 3.4
Calum MacPherson Chief Executive, Inverness and Cromarty Firth Green Freeport, item 3.5
[Name redacted for data protection] Management Accountant, item 4.1
[Name redacted for data protection] Business Improvement Manager, item 4.2
Keith Masson Head of Net Zero Transition, item 4.5
[Name redacted for data protection] Net Zero Transition Manager, item 4.5
Lorna Gregson-MacLeod Head of Planning and Partnerships, item 4.6

IN ATTENDANCE (ONLINE)

Joanna Peteranna Director of Area Operations
Rachel Hunter Director of Enterprise and Community Support
Peter Guthrie Head of Space, item 2.1
Zoe Laird Head of Growth Deals and Digital, item 3.2
Morven Fancey Head of Housing, Skills and Population, item 3.3
Anne-Marie Martin Deputy Director, Regional Economic Development, Scottish Government
Andrew Carton Team Leader (HIE), Enterprise Agency Sponsorship, Scottish Government

1 **STANDING ITEMS** CUSPAIREAN COTHROMACH

1.1 **Welcome and apologies**

The Chair welcomed everyone to the meeting, including Scottish Government representatives. Apologies had been received from Board members Melanie Collett, Simon Cotton, Anna Salgado and Keith Nicholson, and from Shadow Board member Mary Bowman.

1.2 **Declarations of interest**

Ailsa Raeburn declared an interest in subjects that were referenced in items 1.4 (Draft minute of Board meeting of 25 November 2025) and 1.6 (Chair and Chief Executive's update). Content relating to the Islands Business Resilience Fund and Stòras Uibhist had been removed from papers that had been issued to Ms Raeburn and it was agreed that she would leave the meeting if these matters were discussed during today's meeting.

Mary Bowman, who was not present at this meeting, had declared interests in items 1.3 (Draft minute of Board meeting of 28 October 2025) and 4.2 (Corporate Risk Register). Content relating to offshore wind and ScotWind had been removed from papers issued to Ms Bowman.

The following transparency statements were noted:

Item	Board member	Transparency statement
1.3	David Oxley	Board member, Wave Energy Scotland
1.4, 1.6	Angus Campbell Joanna Peteranna	Chair of Ferries Communities Board Related party interest in Islands Business Resilience Fund
3.2	Angus Campbell Allan Clow Simon Cotton Calum Ross	Regional lead for further education, UHI Court Independent member, UHI Court Advisor to Elevator UK HIE appointee, UHI Court and related party interest
3.3	Allan Clow Rachel Hunter Ailsa Raeburn Freda Newton	Director, Wheatley Development Solutions Ltd Board Member, Hjaltland Housing Association Chair, Community Land Scotland Owns land shortlisted as a masterplanning consent area by the Highland Council
3.4	Mary Bowman	Connection with Highland Deephaven Ltd
4.5	Freda Newton	An employee of Jacobite Cruises is enrolled in the Climate Springboard programme

1.3 **Draft minute of the Board meeting held on 28 October 2025**

The minute was approved as an accurate record of the meeting.

1.4 **Draft minute of the Board meeting held on 25 November 2025**

The minute was approved as an accurate record of the meeting.

1.5 **Matters arising from the minutes and action grid**

There were no matters arising.

1.6 Chair and Chief Executive's update

The Board noted a summary of significant activities and issues that were currently being dealt with by HIE employees and were not covered elsewhere on the agenda. There was discussion on the following items:

- **Legal matters**

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

Following a policy statement from the First Minister, the Scottish Government had updated guidance pausing public funding to Scottish companies that were supporting military activity in Israel and Myanmar. HIE was continuing to apply diligence to ensure compliance with the policy.

- **Islands Business Resilience Fund**

The Director of Enterprise and Community Support confirmed that Stage Two of the fund had been launched at the start of November and would remain open until January, with a two-week suspension over the festive break. A small number of complaints relating to the first stage had been received and were being dealt with through HIE's complaints handling process.

- **Machrihanish**

The Director of Strategic Projects informed the Board that demolition of buildings A and C had started. Although HIE had applied successfully for Scottish Government Invest to Save funding, it had decided not to take up the offer as project costs were within budget. Further demolition of redundant property at the former airbase was under consideration.

- **Arnish**

The Director of Area Operations reported on several matters relating to Arnish. Contractors for the Arnish Moor Road improvements were on site and making good progress. Following Board in-principle approval in October, support for Navantia investment in plant and equipment had been formally approved by the HIE Chair and Chief Executive under delegated authority and agreed by the Scottish Government's Offshore Wind Investment Programme (OWIP) Board. Legal agreement was being progressed.

The OWIP Board had also approved funding in 2025/26 to support design and consenting for HIE to deliver upgrades at Arnish at its own hand. *[Sentences removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].*

- **Stòras Uibhist**

Ailsa Raeburn left the meeting.

The Board noted governance issues concerning Stòras Uibhist that had been widely reported in the media. HIE was in regular contact with the community company *[part of sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity]. [Sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].*

- **Programme updates**

Ailsa Raeburn rejoined the meeting.

The Director of Enterprise and Community Support provided an update on the progress of various programmes that were currently being delivered by HIE.

- **Business Support Partnership**

The Director of Enterprise and Community Support reported that the development phase of the master customer record for Scotland had been completed and the next phase of work would focus on improving collaboration, data sharing and customer experience. It was agreed that opportunities for the Board to learn more and discuss HIE's involvement in this national project would be included in an upcoming development session.

- **Science Skills Academy**

The Director of Strategy and Regional Economy confirmed that the Science Skills Academy had been funded from external sources for the past three years. *[Sentence removed in the interests of the effective conduct of public affairs].*

- **Scottish Government / policy update**

The Board noted the current state of progress on a range of matters including post-school education reform and the Scottish Government's Islands Plan and Rural Delivery Plan. HIE was also part of a Scottish Government-led steering group looking at potential funding streams from the UK Government in relation to its industrial strategies.

- **HIE 60th anniversary**

A joint event that HIE had hosted with Prosper in Inverness Town House had been well attended and positively received.

- **Organisational development**

The Director of Human Resources reported that, following consultation, the PCS union had voted to accept the terms of HIE's two-year pay award and its terms had been implemented.

- **Chair and Chief Executive**

The Chair advised that Board member Freda Newton had accepted his invitation to become Deputy Chair of HIE.

The most recent meeting of the Convention of the Highlands and Islands had taken place on 3 November and included discussions on community wealth building, integrated health and social care, and the National Islands Plan.

The Chair and the Chief Executive had been interviewed for an upcoming feature in Holyrood magazine that was scheduled to be published in January 2026.

The Chair reported that he had been very impressed by a recent visit to the newly-opened Inverness Castle Experience, a growth deal project that included HIE investment.

2 DECISIONS CO-DHÙNAIDHEAN

2.1 Orbex

Peter Guthrie joined the meeting.

[Item removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].

Peter Guthrie left the meeting.

3 UPDATES CUNNTASAN AS ÙR

3.1 Cairngorm

Elaine Hanton and Peter Dennis joined the meeting.

The Cairngorm Project Lead and the Project Manager provided an update on matters relating to Cairngorm.

[Paragraph removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].

[Paragraph removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].

[Paragraph removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].

Rachel Hunter left the meeting temporarily for another appointment.

[Paragraph removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].

Peter Dennis left the meeting.

3.1.1 Cairngorm Mountain (Scotland) Ltd

Mike Gifford, Peter Mearns and Mark Tate joined the meeting.

The Board welcomed the Chief Executive and the outgoing and incoming Chairs of Cairngorm Mountain (Scotland) Ltd to the meeting.

The CMSL Chief Executive delivered a presentation on current operations, environmental initiatives and forward planning for Cairngorm Mountain. Since the funicular returned to service at the end of February 2025, it had been used by around 106,000 visitors, generating income of £2.7m and reducing operating losses to a level below forecast. With snow on the mountain already, the resort had opened for snowsports in November. The funicular continued to be fully operational and had passed a positive health and safety audit.

A number of successful events and a greater breadth of year-round activities, including mountain biking and carting and adventure play, had also contributed to improved financial health for the business. CMSL had stepped up collaboration with local suppliers, schools and other organisations in the area, with activities including sponsoring events, working with ski schools and seeking to strengthen relationships and explore joint initiatives with other mountain resorts. Environmental

actions included extensive litter clearance and working with partner organisation through the Spey Valley Initiative to plant 33,000 trees at low levels of Coire na Ciste.

A new business plan was nearing completion and would feature several key projects including a proposed mountain toboggan, *[part of sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity]*. *[Sentences removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity]*.

The Board welcomed the presentation, noting the improved financial performance that had been achieved since the funicular's return and commenting positively on the range of environmental initiatives and future plans. *[Sentences removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity]*.

Further discussion focused on the need to progress towards business sustainability. The CMSL Chief Executive agreed this was a key goal and noted that the toboggan plan was intended to complement the existing range of year-round activities and other new ideas to continue to reduce the resort's historic dependence on suitable winter snow conditions. *[Sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity]*.

Rachel Hunter rejoined the meeting.

The CMSL Chair, who was due to step down at the end of December, commented that the return of the funicular had been a turning point and work that was now under way to enhance the year-round offering would enhance progress towards sustainability. The Chair Designate, who would take up his post in January, expressed strong enthusiasm for the resort and confidence in its future under the current management.

In closing, the Chair of HIE expressed the Board's gratitude to Peter Mearns for his years of service as Chair of CMSL during an exceptionally challenging period.

Mike Gifford, Peter Mearns, Mark Tate and Elaine Hanton left the meeting.

Due to timing considerations, agenda items 3.4 and 3.5 were taken ahead of 3.2 and 3.3

3.4 Ports in the Highlands and Islands

Elain MacRae and [Name redacted for data protection] joined the meeting.

The Head of Energy and the Senior Development Manager presented an overview of current activity involving ports in the Highlands and Islands and the various roles they play in supporting the delivery of offshore wind projects.

These included a wide variety of manufacturing; fixed turbine marshalling and installation; floating turbine integration; wet storage, and operations and maintenance. A key message was that no single port was capable of delivering every aspect of offshore wind development to serve the current pipeline of projects, so collaboration among ports would be critical to success.

The report highlighted the respective capabilities of 23 ports located across the Highlands and Islands, demonstrating that the region was uniquely positioned to play a pivotal role in the delivery of a powerful offshore wind sector in Scotland and the UK. HIE was focusing on working with partners to support further investment in port infrastructure, encourage multi-port collaboration and capture inward investment manufacturing opportunities to develop local supply chains.

Issues highlighted by the Board included the importance of community engagement and support to ensure projects could be delivered successfully. Although concerns were raised that the pace of progress of offshore wind could be slowing at a global level, the Board were assured to hear that the scale of opportunity in the Highlands and Islands remained exceptional and a longer timescale would also bring opportunities for supply chain development.

The Board thanked the Energy and Low Carbon team for a clear and concise presentation.

Elain MacRae and [Name redacted for data protection] left the meeting.

3.5 Inverness and Cromarty Firth Green Freeport

Calum MacPherson joined the meeting.

The Board welcomed the Chief Executive of the Inverness and Cromarty Firth Green Freeport who delivered a presentation outlining its history, achievements to date and the potential for future economic growth driven by freeport benefits.

While the UK faced strong international competition, particularly from Asia, the Freeport's forthcoming business plan would show it was well placed to benefit significantly from opportunities in green energy, such as offshore wind and hydrogen as well as life sciences. Harnessing these opportunities had the potential to deliver outcomes including: 15,700 well paid, long-term jobs (11,300 in the Highlands); Europe's largest heavy maritime engineering cluster; a £3.5bn investment in green energy over 10 years, and an international green hydrogen hub, as well as making a major contribution to energy transition and population growth.

In discussion, Board members welcomed the Freeport's progress and ambition. Challenges were also highlighted, including limitations in national grid and transport infrastructure, workforce skills and, most significantly, housing.

Another difficulty was a long-standing inequality in UK transmission charges which meant that projects closest to the sources of green energy in Scotland faced higher costs than projects located in England, some of which received payment to connect to the grid. It was noted that Scottish ports had joined forces to write to the UK Energy Secretary, highlighting their concerns on this issue, which threatened to constrain green energy growth in Scotland.

The Board thanked Mr MacPherson for his presentation and contribution to discussion on this important project for the region.

Calum MacPherson left the meeting.

3.2 Growth deals – update on projects

Zoe Laird joined the meeting.

David Wilson left the meeting.

The Head of Growth Deals and Digital presented the latest position for growth deal projects, illustrating changes, progress against schedule, financial profile and risk.

Since the last full overview of growth deals in the Highlands and Islands, presented to the Board in April 2024, the Scottish Parliament Economy and Fair Work Committee had concluded a review and recommended that the UK and Scottish Governments consider a second round of growth deals. A response was currently awaited.

Five regional growth deals were currently in progress across the Highlands and Islands, creating a portfolio of projects investing more than £900m into the region from 2016 to 2033, comprising over £400m government funding and almost £500m from growth deal partners. HIE was directly involved

in 20 individual growth deal projects at different stages of development, from early planning to near-conclusion. Among the most advanced were the Northern Innovation Hub and Inverness Castle (both part of the Inverness and Highland City-Region Deal), Callanish (Islands Deal) and Manufacturing Innovation Centre Moray (Moray Deal). The report summarised progress and challenges across the full range of projects.

In response to questions on Spaceport 1 in North Uist, the Head of Growth Deals and Digital confirmed that the lead role was being taken by Comhairle nan Eilean Siar (CnES) and that HIE, as a partner, was funding enabling infrastructure at the launch site. *[Sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity]*. The Chief Executive noted that Spaceport 1 would be used for sub-orbital launches, which represented a different market of the space sector from other launch sites in the region.

[Paragraph removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].

Although delays to some projects had implications for HIE budgets, staff reported that this had not become a serious issue to date. It was noted, however, that challenges across the UK academic sector had made an impact, notably cancellation of the UHI-led Moray Advanced Aeronautical Technology and Innovation Centre (MAATIC). *[Sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity]*.

The Board thanked the Growth Deals and Digital team for an informative paper and discussion.

Zoe Laird left the meeting

3.3 Housing

Morven Fancey joined the meeting.

The Head of Housing, Skills and Population delivered a comprehensive paper on housing in the Highlands and Islands, updating the Board on HIE's approach to tackling this major issue and actions that had been taken since a previous report was presented in December 2024.

While direct responsibility for housing provision sat with other organisations, HIE was taking a more active role due to the fundamental importance of housing in economic and community development. The agency recognised that a wide variety of accommodation throughout the region would be essential to fulfil the promise of regional transformational opportunities described in research commissioned by HIE with the Highlands and Islands Regional Economic Partnership (HIREP) and published earlier in 2025 and to address depopulation and an ageing demographic, particularly in the west coast and islands.

Fundamental change was needed to address systemic issues in housing that threatened to constrain economic growth. In order to inform and promote change, HIE was engaging directly with the Scottish Government and with stakeholders and partners including HIREP, the Convention of the Highlands and Islands and other national and regional initiatives.

The agency was taking a three-pronged approach, working with partners to support community-led housing; develop regional solutions and work with the regional housing system, and tackle the major systemic issues. A positive message was that over 100 Highlands and Islands communities, most of them in inclusive growth focus areas, were currently leading local housing developments.

HIE had developed a set of potential solutions to address the region's specific challenges. These included: a rural housing agency; funding for affordable housing; a rural and island housing fund;

support for modular housing; incentives for private developers; place-based prioritisation and enhanced support for community housing trusts.

Over the course of the next 12 months, HIE would focus on the following actions:

- engaging directly with the Scottish Government’s More Homes division;
- using the HIREP Housing subgroup as a leadership group;
- working with the new HIREP Housing Delivery Group to increase support for community-led housing organisations and disrupt housebuilding delivery models;
- increasing support for community housing through HIE area teams;
- progressing work with the SME building sector to better understand how HIE can support growth in targeted areas;
- progressing the Interim Accommodation Solutions project in targeted communities, and
- working with the community-led housing sector and Community Led Housing Alliance to explore what further support is required, including the potential for capital investment or structural and policy change.

The Board welcomed the report and endorsed the approach being taken by HIE, emphasising the important role played by community development officers and the need for continued Scottish Government funding to maintain these posts.

There was agreement that, while housing was an issue affecting all parts of Scotland, a distinctive approach was needed in rural and island areas where smaller scale projects could make a bigger difference. *[Sentence removed in the interests of the effective conduct of public affairs].*

It was suggested that refurbishment of existing housing was often an effective and cheaper alternative to new build and should be highlighted in HIE’s approach. Partnership working was vital: while HIE recognised the urgency and importance of housing from an economic development perspective, other partners had direct responsibilities and their specific roles should be respected and not duplicated.

Morven Fancey left the meeting.

4 RESOURCES AND GOVERNANCE **GOIREASAN IS RIAGHLACHAS**

4.1 Financial statement

[Name redacted for data protection] joined the meeting.

The Management Accountant presented HIE’s financial statement for the period from 1 April to 30 November 2025.

HIE’s capital budget had a healthy over-commitment of £5.3m and a negative reserve of £2.1m, while there was capacity in the revenue budget for additional commitment and spend. Achieving a balanced budget would, however, require flexibility and agile reprofiling of budgets across HIE to reflect inevitable changes in project activity and cashflow requirements. Budgets would remain under review until the year end.

[Paragraph removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].

Substantial additional funding to HIE from the Scottish Government Offshore Wind Investment Programme would exceed HIE's core capital grant-in-aid (GIA) allocation in the current financial year. This investment into the Highlands and Islands was very welcome but carried additional risk. Effective programme management by HIE and shared risk and flexibility with the Scottish Government would be required to accommodate project cashflow changes that were outwith HIE's control.

Delivery of HIE's Best Value plan was continuing to realise cost savings, including through vacancy management. *[Sentences removed in the interests of the effective conduct of public affairs]*.

The Scottish Government was expected to announce its tax and spending plans for the coming year on 13 January and HIE was providing information on an ongoing basis to inform future budget allocations as well as continuing to respond to new commissions. HIE was also pursuing other income opportunities and had secured additional revenue funding for delivery of the Islands Business Resilience Fund (IBRF), as well as Pathways to Start, digital activity and the Small Producers pilot fund. The scale of other income was now over 90% of HIE's core budget, which was exceptional and required a new reporting approach, with delivery against other income being shown separately.

The Board discussed issues arising from the statement, including HIE's approach to high risk loans, noting that HIE placed an emphasis on being risk-aware but not risk-averse when there was a need for intervention to pursue economic benefits for the region.

Members acknowledged that HIE's success in attracting substantial extra funding increased the risk that spend targets could be missed due to factors outwith the agency's control. They were also pleased to hear from the Director of HR that the increased workload involved in delivering additional programmes was being managed with staff wellbeing a priority – including through reallocating responsibilities and offering extra hours to part-time employees.

The Board thanked the Management Accountant for a very clear and comprehensive report.

[Name redacted for data protection] left the meeting.

4.2 Corporate risk register

[Name redacted for data protection] joined the meeting.

HIE's Business Improvement Manager presented the latest version of HIE's corporate risk register.

Following discussion at the last Board meeting, a review of the highest risk scores had been carried out with the result that four corporate risks had been reduced from the highest level of 25 to 20. *[Part of sentence removed in the interests of the effective conduct of public affairs]* and a new statement on sanctions, human rights and excluded military trading had been added to the register.

[Name redacted for data protection] left the meeting.

4.3 Draft minute of the Risk and Assurance Committee, 6 November 2025

Allan Clow, as Chair of the Risk and Assurance Committee, presented the draft minute of the most recent meeting, which had focused on concluding the audit process for HIE's 2024/25 annual report and accounts. The Committee Chair reported that Audit Scotland's annual audit report on HIE had noted some minor issues but had given HIE's accounts a clean audit opinion, which was very welcome and a good achievement for the organisation.

4.4 HIE annual report and accounts

The Board noted that HIE's audited annual report and accounts for financial year 2024/25 had been approved by the Risk and Assurance Committee on 27 November, in line with HIE's Framework

Agreement, and signed by HIE's Accountable Officer and the Audit Scotland Audit Director prior to being laid in Parliament and published online by HIE.

A copy of the published document had been made available to Board members, along with Audit Scotland's annual audit report on HIE. Plans were under way to implement recommendations that were included in Audit Scotland's annual audit report and staff would update the Risk and Assurance Committee at its March 2026 meeting.

The Director reminded the Board that HIE's current annual audit timetable was largely driven by Audit Scotland resource prioritisation and that publication of the report and accounts was affected by a time lag between the end of the financial year on 31 March and conclusion of external audit in November. HIE was keen to bring the timetable forward and this issue had been discussed at the November Risk and Assurance Committee. The potential to accelerate the timetable would now be discussed with Audit Scotland.

4.5 Public bodies climate change

Keith Masson and [Name redacted for data protection] joined the meeting.

HIE's net zero transition specialists presented a summary of the organisation's performance in respect of climate action in 2024/25 as recorded in an annual report that HIE was required to submit to the Scottish Government to demonstrate how it was meeting public bodies climate change duties.

This showed that HIE's carbon footprint for the year was measured at 332 tonnes of carbon dioxide equivalent (CO₂e), a reduction of 42 tonnes (12.65%) from 2023/24. The decrease was largely due to reductions in energy consumption and staff travel.

Electricity consumption remained HIE's biggest single source of carbon emissions, representing approximately 34.6% of the overall footprint, and was the area requiring most work to achieve net zero emissions in future. The rising cost of electricity increased the importance of HIE finding ways to reduce consumption and generate its own renewable power.

Priorities for the remainder of 2025/26 would include supporting staff and clients to engage with HIE's dedicated net zero support programme, along with categorising all future HIE projects according to net zero impact. Other areas of focus were: continuing to decarbonise HIE's operational estate; supporting businesses and social enterprises through the regional Green Grant Fund, and introducing net zero conditionality into HIE's support.

Discussion included the merits of solar panels, which were planned for HIE's Inverness premises. *[Sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity]*. The Board were also interested in understanding how net zero conditionality would be applied and it was explained that this was currently being piloted. HIE intended its approach to be relatively light touch, with clients being required to baseline carbon emissions to form and implement a net zero plan.

The Board welcomed the report and thanked staff involved in its production.

Keith Masson and [Name redacted for data protection] left the meeting.

David Wilson rejoined the meeting.

4.6 Performance update

Lorna Gregson-MacLeod joined the meeting.

The Head of Planning and Partnerships presented an update on HIE's performance against targets in the present financial year to date. Current and potential outturns were generally on track with particularly strong progress recorded against jobs and community targets since the half-year report had been delivered to the Board on 25 November.

At the November meeting, the Board had agreed that targets should be reviewed in light of strong performance that was being driven by projects supported through the Offshore Wind Investment Programme and other additional funding streams, including the Islands Business Resilience Fund. Members noted that Audit Scotland recommended adjusting targets when major changes occurred in-year.

As a result, it was now proposed that the following targets should be increased as shown:

Measure	Original target	Revised target
Capital asset investment	£80m	£520m
Green capital asset investment	£40m	£450m
External investment secured	£55m	£400m
External green investment secured	£25m	£330m
Average wage of jobs supported	£34,000	£36,000
Average wage of jobs supported in Inclusive Growth Focus Areas	£32,000	£34,000

In discussion, the Head of Planning and Partnerships expressed confidence that these new targets were deliverable, however she also cautioned that average wage out-turns were not cumulative and could decrease before the year-end.

The Board thanked the Planning and Partnerships team for the update and approved the revised performance targets.

Lorna Gregson-MacLeod left the meeting.

5 ITEMS FOR INFORMATION CUSPAIREAN AIRSON FIOSRACHADH

5.1 Equality mainstreaming delivery plan 2025-29

The Board welcomed HIE's Equality mainstreaming delivery plan 2025-29, noting that HIE had a statutory requirement to publish the plan and its equality outcomes on the HIE website.

5.2 Approved minute of the Remuneration Committee, 21 July 2025

The Board noted the minute of the Remuneration Committee meeting that had been held on 21 July 2025.

5.3 Any other business

There was no other business.

5.4 Forthcoming meeting dates

The following dates were noted:

22 January 2026	RAC development session – Budget (open to all)
24 February 2026	HIE Board meeting, Inverness
12 March 2026	HIE Risk and Assurance Committee

Chris Roberts
Head of Communications
16 December 2025

