

# BOARD MINUTE

12 DECEMBER 2023

---

Highlands and Islands Enterprise

APPROVED



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

**MINUTE OF THE HIE BOARD MEETING HELD ON TUESDAY 12 DECEMBER 2023, STARTING AT 09:45  
IN AN LÒCHRAN, INVERNESS CAMPUS, AND ONLINE**

**PRESENT (INVERNESS)**

Alistair Dodds (*Chair*)  
Angus Campbell (*Deputy Chair*)  
Stuart Black (*Chief Executive*)  
Amanda Bryan  
Simon Cotton  
Belinda Oldfield  
Ailsa Raeburn  
Calum Ross  
Anna Salgado  
David Wilson

**PRESENT (ONLINE)** Keith Nicholson

**IN ATTENDANCE (INVERNESS)**

Carroll Buxton	Deputy Chief Executive
Douglas Cowan	Director of Communities and Place
Sandra Dunbar	Director of Business Improvement and Internal Audit
Rachel Hunter	Director of Enterprise Support
Martin Johnson	Director of Strategy and Regional Economy
Nick Kenton	Director of Finance and Corporate Services
David Oxley	Director of Strategic Projects (from item 2.1 onwards)
Chris Roberts	Head of Communications
Anne Marie Martin	Deputy Director, Regional Economic Development, Scottish Government
Andrew Carton	Team Leader (HIE), Enterprise Agency Sponsorship, Scottish Government
Janice Findlay	Development Manager, Client Products and Services, item 2.1
Graeme Adair	Construction Frameworks Manager, item 2.2
Elaine Hanton	Senior Project Lead, Regional Infrastructure, item 3.1
Dave Macleod	Head of Property and Infrastructure, item 3.1
Theresa Swayne	Senior Development Manager, Enterprise Support, item 3.2
Zoe Laird	Head of Growth Deals, item 3.3
Willie Watt	Chair, Scottish National Investment Bank, item 3.4
Al Denholm	Chief Executive, Scottish National Investment Bank, item 3.4
Lorna Gregson-MacLeod	Head of Planning and Partnerships, item 4.4

**IN ATTENDANCE (ONLINE)**

Colin Cook Director of Economic Development, Scottish Government, items 1.1 – 2.2

<b>1</b> <b>STANDING ITEMS</b> <b>CUSPAIREAN COTHROMACH</b>
--

### **1.1 Welcome and apologies**

The Chair welcomed everyone to the last scheduled Board meeting of 2023, noting that Anne-Marie Martin and Andrew Carton were present in person from the Scottish Government and that Colin Cook was expected to join online.

It was noted that there would be a presentation from the Chair and Chief Executive of the Scottish National Investment Bank, with opportunities for questions and discussion.

Apologies had been received from Board member Freda Newton and Director of Human Resources Karen Moncrieff.

### **1.2 Declarations of interest**

Ailsa Raeburn declared an interest in a matter that was included under item 1.5, *Chair and Chief Executive's Update*, due to her role as a board member of Crown Estate Scotland.

For transparency, it was noted that several Board members had a potential interest in the Green Grants Fund due to their connections with businesses or other organisations that were eligible to apply. It was agreed that the risk of conflict of interest would be addressed by ensuring that any discussion on the fund was kept at a strategic level and that decisions on specific projects would be taken by HIE's Leadership Team. This approach was aligned with the principles in the Model Code of Conduct for Members of Public Bodies.

Anne Marie Martin informed the Board that she is a member of the Scottish Government's moderation panel for green freeports.

Belinda Oldfield gave a transparency statement, confirming that she is a non-executive director on the Scottish Government Corporate Board.

### **1.3 Draft minute of Board meeting 31 October 2023 RESTRICTED**

It was agreed that the wording of item 2.2, Sumitomo, would be amended to reflect more strongly the significant economic benefits that this investment was expected to generate, as well as community benefits.

The minute was otherwise approved as a true and accurate record of the meeting.

### **1.4 Matters arising from the minute and action grid**

*Colin Cook joined the meeting during this item.*

It was confirmed that carbon literacy training for Board members was being arranged for 26 February, one day before the next scheduled Board meeting.

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

HIE staff would follow up on an action to send Board members advice on email management, based on a note that had been issued to HIE staff.

Regarding HIE's next operating plan (2024/25), the Director of Strategy and Regional Development reported that it was intended to include an item on the agenda for the February 2024 Board meeting, indicating direction of travel and inviting discussion.

*[Paragraph 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].*

All other matters arising would be covered under items on the meeting agenda.

## **1.5 Chair and Chief Executive update RESTRICTED**

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

### **Sumitomo**

*Ailsa Raeburn left the meeting*

The Director of Strategic Projects informed the Board that the Highland Council's planning decision in relation to Sumitomo's proposed site was now expected to be taken on 17 January 2024. *[Sentences removed due to commercial sensitivity].*

Sumitomo had established offices in Inverness and Glasgow and was continuing to engage positively with HIE. Drafting of a legal undertaking was well advanced and expected to be concluded early in the new year.

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

### **Space**

*Ailsa Raeburn rejoined the meeting*

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

Orbex had held a local public meeting to consult on its proposed amended plans in relation to the construction of the spaceport and would hold another in the new year. *[Sentence removed in the interests of the effective conduct of public affairs].* It was noted that the latest plans involved a smaller site, launch pad and buildings, and that these changes would reduce the environmental impact of the project.

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

In the Outer Hebrides, little had changed with Spaceport 1 since the last update. *[Sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].*

### **Fair Isle Bird Observatory**

The Deputy Chief Executive reported that the building was now wind- and water-tight and that internal works were progressing well. *[Sentences removed due to commercial sensitivity].* The Board agreed that the project

was an essential economic driver for Fair Isle and demonstrated the importance of HIE continuing to support remote and fragile areas.

### **AMTE Power**

The Deputy Chief Executive informed the Board that specialist Caithness battery manufacturer AMTE Power remained in a difficult financial position. The company was in discussion with a potential investor and was hopeful of obtaining support, but required more time to conclude due diligence. The company had also asked HIE for interim funding and due diligence was under way, including consideration of subsidy and risk, on the potential of offering a repayable grant of £250k. The company intended to consolidate its present UK operations in Thurso, providing current difficulties were overcome.

### **BT Alness**

It was noted that BT intended to close its site in Alness, which employs around 80 people, as part of a UK reorganisation programme. BT had concluded staff consultation, PACE was under way and HIE had made contact with the company's outplacement support provider. The Cabinet Secretary for Wellbeing Economy, Fair Work and Energy would be meeting the Communication Workers Union in December and HIE had provided a briefing. *[Sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].*

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

### **Arnish**

The Director of Communities and Place informed the Board that work was progressing on the expanded Arnish masterplan. Meetings were continuing with stakeholders and HIE aimed to complete the masterplan in the current financial year. He also noted that HIE was in procurement to appoint a contractor to remove shot blast waste that had been stored on site for several years. Subject to an acceptable tender within budget parameters, it was hoped to conclude this project by the end of March 2024.

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

Demand for space from potential tenants at Arnish remained healthy and HIE was currently considering lease options.

### **Public service reform**

The Director of BIIA reported that HIE was working closely with the Scottish Government on public service reform. Dr Poonam Malik, co-chair of the Scottish Government's New Deal for Business Group had been invited to attend the HIE Board meeting in February 2024.

The Scottish Government's Director of Economic Development added that the reform process involved two tracks of work; one focusing on the government itself and led by the Deputy First Minister, and the other concerned with economic development across the agency landscape. Both aimed to identify efficiencies and opportunities to improve service delivery.

### **Scottish Government**

The Director of Strategy and Regional Economy summarised several matters on which there had been recent engagement with the Scottish Government.

Enterprise agencies had been briefed regarding the post-school review led by James Withers, *Fit for the Future*. Following this, a public announcement had been made by the Minister for Economic Development. A key point of interest was that, although the review had recommended making enterprise agencies the first point of contact on skills issues for businesses, this did not appear to be a priority for the government in the short term. The Board discussed this point, with members stressing the potential for enterprise agencies to strengthen their role in aligning skills planning and provision with local economic needs and opportunities, with or without structural changes being made to the skills system.

The Chair invited the Scottish Government's Director of Economic Development to provide a short verbal update on progress with the Green Industrial Strategy. From early in the new year, the Scottish Government will work with HIE and other agencies to develop the strategy over the coming months, with a view to making an announcement in late spring or summer. The strategy would aim to identify the optimal specific economic opportunities associated with transition to net zero, based on market analysis.

In response to a question on the rural delivery plan, the Director of Strategy and Regional Economy explained that this had a broad remit and was being led by the Scottish Government Rural Directorate, reporting to a working group chaired by the Deputy First Minister and the Cabinet Secretary for Rural Affairs and Islands. The Chair added that he and the Chief Executive had discussed this matter with the Cabinet Secretary for Wellbeing Economy, Fair Work and Energy, and had expressed HIE's desire for the plan to be progressed at pace.

### **Organisational development**

The Board noted that HIE's pay award had been formally approved and paid to staff in November salaries. Inner Moray Firth Area Manager James Gibbs had been appointed as Director of Freeport Delivery, a new role to focus on ensuring the success of the Inverness and Cromarty Firth Green Freeport, with benefits realised across the region.

The Director of Communities and Place would retire in March 2024 and succession plans and organisational changes were being reviewed. As part of developing the young workforce, three of HIE's modern apprentices had successfully completed their SVQ training and been made permanent employees.

### **All-staff conference**

HIE's all-staff conference had taken place on 8 November, with the Chair and several Board members participating. This had been a very successful and productive event, with teams linking virtually across the region and a strong in-person staff presence generating positive engagement in An Lòchran, Inverness Campus and in the area offices.

### **Other matters**

The Chair reported that the Convention of the Highlands and Islands had held a virtual meeting, with agenda items including transport, digital, population and housing. There had been an update on the rural delivery plan and discussion on socio-economic benefits from developing the energy sector.

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

HIE had hosted a positive and productive visit to the region by the Scottish Government's Permanent Secretary and five directors.

Preparations were progressing well to recruit two new members to the HIE Board, with advertising expected to begin in January and appointments commencing in April. The Chair thanked the Deputy Director, Regional Economic Development, Scottish Government, for her role in moving this matter forward.

The Chair and the Chief Executive had met MPs and senior civil servants in London, along with business leaders. Regional opportunities and challenges had been discussed, including energy and digital, and issues that had been raised were being followed up.

A positive board engagement session had been held with Shetland businesses and communities, who had been very complimentary about the support they receive from HIE through the Shetland area team. The Chair thanked Board members Calum Ross and Keith Nicholson for taking part.

Discussions were ongoing with the University of the Highlands and Islands, focusing on areas for effective collaboration as the university continues to implement changes.

Lastly, the Chair reported that HIE's Remuneration Committee had met in October, and agreed directors' remuneration. *[Sentence removed in the interests of the effective conduct of public affairs]*. It was noted that a national review of pay for Chief Executives of non-departmental public bodies was due to commence shortly and that HIE would also contribute to that exercise.

## 2 INVESTMENT DECISIONS CO-DHÙNAIDHEAN AIRGEAD-TASGAIDH

### 2.1 Green Grant Fund – amendment **RESTRICTED**

*Janice Findlay joined the meeting.*

The Development Manager, Client Products and Services, delivered a presentation on the Green Grant Fund (GGF) and requested approval for an additional £3 million of capital funding. This would be spent in 2024/25 and 2025/26 to support businesses and social enterprises to apply green practices and reduce their energy use, in line with the HIE strategy and Scottish Government net zero priorities.

Introduced in May 2023, the initial £2 million Green Grant Fund was supporting tourism, creative industries and food and drink processing businesses and social enterprises in all sectors to address the cost of doing business and the climate crisis through measures including energy efficiency, renewables, and active travel. It had proven highly popular, attracting around 200 expressions of interest in three months and a total grant request of £1.2 million. HIE estimated that projects approved to date would generate annual carbon savings from HIE's investment of around 630 tonnes and that a further £3 million investment would yield additional savings of 1,000 tonnes.

As several Board members had interests in entities that could be eligible for support, the paper was being presented for strategic discussion and funding allocation. Responsibility for the design of fund criteria would be held by HIE Leadership Team and no Board member would be involved in any due diligence or decision making on specific projects in which they might have an interest. Due diligence on individual GGF projects will be taken forward by area teams under normal delegated authorities.

The Board welcomed the success of the GGF and asked what steps would be taken to promote the additional funding to eligible businesses and social enterprises that may not currently be known to HIE. Assurance was provided that there would be an open call for expressions of interest, and that HIE's Marketing team would prepare a promotional plan to reach the broadest possible audience.

In response to questions, it was confirmed that work to prepare businesses to adopt green measures was being taken forward by HIE sector teams and that specialists could be brought in to provide technical advice. The Board welcomed the fact that the initial open call for submissions in May had brought forward applications that did not qualify for GGF, but that HIE had been able to support in other ways.

Members queried whether support for some energy saving initiatives such as solar panels, which could generate significant savings, represented good value for public investment. The Director of Enterprise Support acknowledged this, noting that additionality would be considered carefully for individual cases.

The question of affordability was raised and the Director of Finance and Corporate Services explained that modelling based on current budget expectations indicated that the proposed investment was affordable. However, it was important to note that actual budget levels for the coming two years were not known at present.

The Board thanked the Development Manager for a clear and informative presentation and approved the request for an additional £3 million capital for the Green Grant Fund, subject to budget availability, to be spent across financial years 2024/25 and 2025/26. It was noted that approval to spend beyond the current financial year may require HIE to follow the Accountable Officer Template process with Scottish Government.

*Janice Findlay left the meeting.*

*Keith Nicholson left the meeting.*

## **2.2 Eabhal Business Park – Phase 2**

*Graeme Adair joined the meeting*

The Construction Frameworks Manager requested approval for HIE to undertake a new, competitive open procurement exercise to identify a preferred supplier to deliver phase 2 of the Eabhal Business Park, Benbecula. This would create seven small business units and associated infrastructure.

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

The Board sought assurance that net zero implications had been considered as part of building design and it was confirmed that energy efficiency measures had been included. *[Sentence removed in the interests of the effective conduct of public affairs].*

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

*Graeme Adair left the meeting.*

*Colin Cook left the meeting.*

## **3 UPDATES** **CUNNTASAN AS ÙR**

### **3.1 Cairngorm update RESTRICTED**

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

*As the meeting was running later than planned, it was decided to take item 3.4, which was being led by representatives of the Scottish National Investment Bank, before items 3.2 and 3.3.*

### **3.4 Scottish National Investment Bank**

*Willie Watt and Al Denholm joined the meeting.*

The Chair and Chief Executive of the Scottish National Investment Bank delivered a presentation covering the origins, purpose and achievements of the Bank, which had recently marked its third anniversary. As a development bank, it operated in the space between the public and private sectors and was mission-led, with a focus on addressing societal challenges. These were transition to net zero, tackling place-based inequality and fostering innovation across Scotland.

Two of the Bank's investees were located in the Highlands and Islands – Orbex and North Coast Hotels – and a further five were active in the region. Much of the Bank's focus was on scaling up companies, an approach



that it believed would produce greater economic impact than solely supporting start-ups. The Bank worked within its own ethical guidelines and recognised the value of developing strong partnerships with private capital, providing a bridging role. ScotWind presented a massive opportunity, but also a massive ask, and the Bank had a team focusing on maximising its potential for Scotland.

In response to questions, it was confirmed that the Bank was in discussion with housing developers and other potential investors such as insurance companies concerning provision of a range of accommodation to support economic development, as well as direct investment in infrastructure such as ports and harbours. Development would need to be commercial, to ensure compliance with subsidy rules. *[Sentences removed in the interests of the effective conduct of public affairs].*

*Keith Nicholson rejoined the meeting.*

Members asked about the Bank's ability to invest in enabling infrastructure which might need to be put in place to support the creation of future employment and economic opportunities. The reply indicated that there had to be confidence from commercial operators in the market, although the Bank did see part of its role being to invest in support of intelligent risk taking.

The HIE Chief Executive commented that the agency was keen to work closely with the Bank to support Highlands and Islands' companies that had the potential to scale up successfully. *[Sentences removed in the interests of the effective conduct of public affairs].*

In response to another question, the Bank confirmed that it enjoyed a positive relationship with the UK Investment Bank, with which it was well aligned.

*Belinda Oldfield left the meeting.*

The Chair thanked the Bank representatives for their presentation and openness in answering questions, noting that it was important for HIE and the Bank to work together and encourage wider investment in the regional economy at a time of great opportunity. The progress made by the Bank in only a few years was very impressive and encouraging.

*Willie Watt and Al Denholm left the meeting.*

### **3.2 Artificial Intelligence – action plan update**

*Theresa Swayne joined the meeting.*

The Senior Development Manager, Enterprise Support, gave a presentation on HIE's approach to the opportunities and challenges presented by the growth of artificial intelligence (AI), focusing on an action plan that had been approved by HIE's Leadership Team on 20 November 2023. The plan defined four specific areas for action: client engagement; HIE staff awareness and training; HIE internal systems, and collaboration and partnership across the public sector.

Externally, HIE would support clients to understand and make use of the opportunities that AI presents as well as considering the risks. This would be delivered through existing projects and programmes including knowledge exchange, specialist advice and funding, in collaboration with partner organisations. Internally, the aim was to improve effectiveness through smart decision making supported by AI, while reducing operating costs and supporting the organisation's Best Value plans for service delivery. There would also be an emphasis on ensuring staff access to learning opportunities and knowledge of AI.

In discussion, it was confirmed that data protection issues would be addressed in a new HIE policy, being led by the Head of Information Governance. Board members welcomed the approach being taken by HIE which acknowledged the important role AI can play in supporting business development, while also recognising the continuing need to apply skills of analysis and judgement in optimising its use.

The Chair thanked the Senior Development Manager and asked for her presentation and case studies to be circulated to the Board.

*Theresa Swayne left the meeting.*

### **3.3 Making the most of community benefits**

*Zoe Laird joined the meeting.*

The Head of Growth Deals presented an overview of the potential role and value of community benefits with a specific focus on offshore wind opportunities, *[part of sentence removed in the interests of the effective conduct of public affairs]*. The overview included a set of draft principles to support wider discussions with stakeholders on subjects such as engagement with developers and communities; distribution mechanisms, and how funds can be shared in an inclusive way.

The Board welcomed the paper and suggested that the scale of the opportunity merited more consideration than it could receive at today's meeting. It was agreed that a sub-group would be established to discuss the subject in depth. The Chief Executive commented that HIE's Leadership Team had taken a similar approach, recognising the scale of the subject.

Points raised by members included the need for clear definitions of what 'community' means as well as HIE's specific role, particularly when acting in partnership with other organisations. It was also important to gain insights into how this matter was being dealt with in other parts of Scotland.

It was noted that an approach to community benefits in the Outer Hebrides had been founded on the principles of net zero; population and employment, and social wellbeing. Valuable lessons could be learned from ways in which community benefit from onshore wind had been handled, although it was recognised that offshore presented different challenges. HIE had an opportunity to practise regional leadership through the Regional Economic Partnership and involving a range of organisations including local authorities, Crown Estate Scotland and the University of the Highlands and Islands.

Other points to be addressed as HIE's approach is developed would include the relationship between community benefits and community wealth building, the best ways to approach community engagement, and competition in the market for available funds. It was unclear how appropriate levels of compensation from developers would be determined and this should be examined. Shetland and Orkney had a successful record of capturing benefit from the energy sector and lessons could be learned from their experience.

The Board welcomed the direction of travel on this vital issue, noting there was a need to progress at pace. It was agreed that the Head of Growth Deals would prepare a concise remit for a Board sub-group, with all members invited to join.

*Zoe Laird left the meeting.*

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

### **4.1 Financial statement to 30 November 2023**

The Director of Finance and Corporate Services presented the financial statement for the eight months from April to November 2023.

Capital commitment had risen to a level where there was confidence that a balanced year-end position could be achieved, although there remained risks, including uncertainty around the potential costs relating to the Cairngorm funicular remedial works currently being funded by Balfour Beatty. The negative reserve had been reduced but further progress on this would be required in the final third of the year.

*[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].*

Projections for 2024/25 were outlined, although it was noted that the Scottish budget would not be announced until later in December. Overall, HIE was likely to face a £2.9m deficit regarding legal commitments in 2024/25, including £1m pressure on the salaries budget. *[Sentences removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity].*

The Director of Strategy and Regional Economy informed the Board that potential impacts that could arise from changes to HIE's budget allocation from the government would be addressed at the Board meeting in February 2024.

Board members underscored the importance of HIE receiving a level of budget allocation that was appropriate to maximise benefits for Scotland from the extraordinary level of economic opportunity that was currently present in the region. In the meantime, Leadership Team should continue to develop projects to boost growth and commit budget, while exploring opportunities to access funding from other sources, both within the Scottish and UK Governments and elsewhere.

The Board otherwise noted the report and actions being taken.

#### **4.2 Write-off paper 947 Castle Stuart Golf LLP RESTRICTED**

The Board noted the technical write-off of a repayable grant of £500,000 that had been awarded in 2006 to Castle Stuart Golf LLP to support the establishment and operation of an international championship golf course. The project had been successful and the company had met all conditions to enable the funding to be converted to a non-repayable grant.

Writing off this sum was a technical measure which would enable HIE to remove the grant from its books for the current financial year, along with a corresponding provision for non-payment. There was no budget impact. For transparency, Scottish Government will also be informed.

The Board approved the write-off for its interest.

#### **4.3 Performance summary December 2023-24**

*Lorna Gregson-MacLeod joined the meeting.*

The Head of Planning and Partnerships summarised HIE's performance against targets for the current financial year up to 24 November 2023.

In summary, HIE's performance was currently behind straight line for most in-year targets. Economic conditions and budgetary constraints remained a challenge, although HIE was, to some extent, mitigating the latter by increasing the contribution of output arising from non-financial assistance and direct staff support.

Over three-quarters of HIE's financial investment contributing to outcome measures related to capital contributions to third-party projects. Intervention rates were, on average, no greater in fragile than non-fragile areas, however some of the larger fragile area projects had attracted higher rates of up to 50%.

Although potential investments currently in the pipeline could contribute to outcome targets, gaps would still remain for fragile area and green jobs, productivity and net zero baselining / action planning. The average salary of jobs supported by HIE was currently £28.2k, against a target of £32k, although it appeared possible

to exceed this target if pipeline projects with employment output were approved. A new productivity measure showed 20 clients reporting an increase as a result of HIE's intervention with an average additional £10k GVA per FTE employee.

The Board accepted that this year's targets were particularly stretching in the current financial climate, but agreed they should be maintained, with the possibility of being reviewed next year. In response to a question on how well HIE was able to measure outcomes from non-financial interventions, the Head of Planning and Partnerships confirmed that measures were built into the system, although not always used consistently. Work was under way to address this through knowledge sharing across teams.

The Chair thanked the Planning and Partnerships team for the work that had gone into preparing a highly informative and factual report.

*Lorna Gregson-MacLeod left the meeting.*

*Anna Salgado and Anne-Marie Martin left the meeting.*

#### **4.4 Corporate Risk Register RESTRICTED**

The Director of BIIA presented the latest HIE Corporate Risk Register, noting that risk appetite and understanding and knowledge sharing were at the heart of HIE's approach, particularly in the current fiscal environment when it was important to seek funding from different sources. HIE had also held productive discussions with the Scottish Government on the subject of risk appetite across the public sector.

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

The Board noted the register, commenting that its strength lay in being a living document, subject to thorough and ongoing review, and articulating lessons learned. In response to a question on the value of gateway reviews, the Director of BIIA confirmed that project teams had reported that they found them very useful in addressing risks with projects, and they helped to build partnership with colleagues in the Scottish Government.

The Chair thanked the team responsible for compiling the register.

#### **4.5 Approved minute of RAC meeting 03 October 2023 RESTRICTED**

The minute of the Risk and Assurance Committee meeting on 3 October 2023 was noted for information.

#### **4.6 Approved minute of RAC meeting 11 October 2023 RESTRICTED**

The minute of the Risk and Assurance Committee meeting on 11 October 2023 was noted for information.

#### **4.7 Verbal update of RAC meeting 5 December 2023**

Angus Campbell, as Chair of the Risk and Assurance Committee, provided a verbal update on matters discussed at the most recent meeting, which had been held the previous week.

*[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].*

## **5 ITEMS FOR INFORMATION**

### **5.1 HIE Publication Scheme Quarterly Approvals report July – September 2023**

A report detailing financial approvals made by HIE from July to September 2023 was noted.

### **5.2 Marketing and Communications update**

A report on delivery of HIE's Marketing and Communications Strategy 2023-26 was noted. A formal paper, covering the first year of the strategy, will be presented to the Board for discussion in June 2024.

### **5.3 Any other business**

With this being the last Board meeting of 2023, the Chair took the opportunity to pay tribute to members for their work throughout the year. The quality of their contribution had been reflected in many positive comments that had been received in the regular engagement sessions that were held both virtually and in person.

It was also pleasing to see good partnership working taking place between the Board, Leadership Team and HIE's sponsor team in the Scottish Government, all of whom were committed to working hard on behalf of the region.

There was no other business.

### **5.4 Forthcoming meeting dates**

- Monday 26 February 2024: Board training session on carbon literacy.
- Tuesday 27 February 2024: HIE Board in Inverness and online.

Chris Roberts  
Head of Communications  
12 December 2023