

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

**MINUTE OF THE HIE BOARD MEETING HELD ON TUESDAY 28 JUNE 2022, STARTING AT 0945  
IN THE APEX CENTRE, ENTERPRISE PARK FORRES, AND BY TELECONFERENCE**

**PRESENT (FORRES):**

- Alistair Dodds (*Chair*)
- Stuart Black (*Chief Executive*)
- Ailsa Raeburn
- Amanda Bryan
- Angus Campbell
- Paddy Crerar
- Freda Newton
- Belinda Oldfield
- Calum Ross
- Anna Salgado

**PRESENT (ONLINE):**

- Donald MacRae
- Keith Nicholson

**IN ATTENDANCE (FORRES):**

Douglas Cowan	Director of Communities and Place
Sandra Dunbar	Director of Business Improvement and Internal Audit
Rachel Hunter	Director of Service Delivery
Martin Johnson	Director of Strategy and Regional Economy
Nick Kenton	Director of Finance and Corporate Services
Karen Moncrieff	Director of Human Resources
David Oxley	Director of Strategic Projects
Chris Roberts	Head of Communications

**IN ATTENDANCE (ONLINE):**

Jessie Laurie	Head of Enterprise Sponsorship, Scottish Government
Lorna Gregson-MacLeod	Head of Planning and Partnerships, item 2.3
Alison Sharp	Corporate Planner, item 2.3
Andrew Jenkins	Head of Financial Services, item 2.2
Emma Stevenson	Financial Systems Accountant, item 2.2
Kate Forbes MSP	Cabinet Secretary for Finance and the Economy, item 2.8
Colin Cook	Director for Economic Development, Scottish Government, item 2.8
Gillian Galloway	Head of Innovation, item 3.1
Graeme Adair	Construction Frameworks Manager, items 3.2, 4.1
Ruaraidh MacNeill	Director of Business Infrastructure, item 3.2, 4.1
Andrea Rutherford	Head of Policy, Digital Highlands and Islands, item 4.2
Anna Miller	Head of Tourism, item 4.3

### **1.1 Welcome and apologies**

The Chair welcomed everyone to the meeting, including new Board members Ailsa Raeburn, Anna Salgado and Keith Nicholson.

Apologies had been received from Carroll Buxton. David Oxley noted he would need to leave the meeting for a short period from 1020 to appear before the Scottish Parliament Finance Committee.

The Board joined the Chair in offering condolences to the families of two members of HIE staff who had recently passed away. *[Names redacted]* had both worked closely with the Board and were well respected colleagues who would be sadly missed.

It was noted that the Cabinet Secretary for Finance and the Economy would be joining the meeting by teleconference in the afternoon. The Chair urged members to take the opportunity to engage in discussion on key issues including the new National Strategy for Economic Transformation (NSET) and budget.

### **1.2 Declarations of interest**

Calum Ross declared that his business, the Loch Melfort Hotel, featured in the quarterly approvals list (item 5.2). This was noted, but was not considered to present a conflict.

Ailsa Raeburn declared an interest as Chair of the Isle of Eigg Heritage Trust, which featured in the quarterly approvals list (item 5.2). This was noted, but was not considered to present a conflict

Paddy Crerar, Calum Ross and Freda Newton all declared an interest in the tourism sector. No matters relating to their specific business interests were to be considered at the meeting, however, and it was agreed that they were able to participate in strategic discussion on tourism.

Alistair Dodds declared a related party interest in item 4.2, Digital, in relation to Achiltibuie, however it was agreed that this did not present a conflict as no decision was being made.

### **1.3 Draft minute of Board meeting held on 26 April 2022**

The minute was approved, subject to an amendment to the note of item 4.2, *Green freeports*, to note that the region stood to miss out on a significant range of opportunities if there was no successful bid for freeport status. The Board were content for the Chair to agree revised wording.

### **1.4 Amendment to minute of Board meeting held on 1 March 2022**

The minute was approved, subject to an amendment to the note of item 3.2, *Strategy update*, to note that scope remained to add capacity to tourism and other traditional economic sectors. The Board were content for the Chair to agree revised wording.

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

In relation to HIE's pay award, the Director of Human Resources reported that discussions with the recognised union and the Scottish Government Pay Unit were progressing well.

The next meeting of the Cairngorm Action Group had been postponed until August, due to CAG members' availability during the busy summer period.

The Director of Strategic Projects reported that HIE was still awaiting formal approval of a change request relating to the Food Tech Hub, part of the Inverness and Highland City-Region Deal. The Board would be kept informed.

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

Donald MacRae asked when training in the new model code for board members would be provided. The Director of Business Improvement and Internal Audit confirmed that contact had been made with the Standards Commission and the new code had now been finalised. A date for training HIE Board members will be arranged and circulated in due course.

These were all the matters arising that would not otherwise be dealt with under other items on the agenda.

## **1.6 Chair and Chief Executive's update – June 2022**

Verbal updates were provided on a range of matters, as noted below:

*[Item removed due to commercial sensitivity].*

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### **Green freeports**

Bids had been submitted on behalf of five Scottish ports – Aberdeen, Clyde, Cromarty Firth, Forth, and Orkney – and a decision by the UK and Scottish Governments was anticipated in September 2022.

### **Arnish**

HIE staff were progressing work on a masterplan, and a draft will be presented to the Board at a future meeting. It was noted that Harland and Wolff were now employing around 70 staff on site and had plans to create a new paint facility. *[Sentences removed due to commercial sensitivity].*

*David Oxley left the meeting.*

### **Service delivery**

**1** HIE's graduate programme had proven very successful with Covid-related funding in 2021/22 and a new, HIE-funded programme had been approved by the Leadership Team. It was noted that a high proportion of graduates remained with their employers or found other work in the Highlands and Islands following completion of their placement.

**2** The Young Business Capital Investment Grant scheme was continuing to reach new clients with grants above £5k to complement existing services from Business Gateway. It was expected that HIE would invest between £500k and £1m in the scheme this year, from area team budgets.

**3** HIE had refreshed its approach to global account management of organisations headquartered overseas, with the aim of encouraging further investment in the region. The Board noted that Orbex was on the global list but it was understood that its headquarters was in Forres. It was agreed that this information would be checked.

**4** The most recent XpoNorth creative industries showcase and conference had been held online and proven successful. Future events would adopt a hybrid model.

## **Strategy**

Following the Scottish Government's publication of the National Strategy for Economic Transformation (NSET) on 1 March, governance structures had been put in place, with HIE represented on both the portfolio board and working group. In discussion, the Board emphasised the importance of applying appropriate measurement and key performance indicators to ensure that the efforts of all regions across the country would be recognised. Members also expressed concerns that the number of delivery bodies involved in Scotland's economic development landscape, each pursuing its own remit and agenda, could present a challenge to the effective delivery of NSET ambitions. In forming HIE's own strategy, the agency would take a constructive approach to align its treatment of regional opportunities and needs with national priorities.

## **Engagement**

The Chair and Chief Executive had held positive discussions with government ministers on topics including NSET governance and delivery. A meeting with Mairi Gougeon MSP, Cabinet Secretary for Rural Affairs and Islands, had highlighted the importance of population growth and the role of housing. These issues had again been to the fore at a virtual Board engagement event, focusing on Lochaber, Skye and Wester Ross, which was also attended by Freda Newton and Donald MacRae. Transport and broadband were other key themes raised by participants. Belinda Oldfield and Angus Campbell would take part in the next Board engagement event, covering Orkney.

The annual Highland Business Dinner had been a useful networking event, and the Chair and Chief Executive had a busy agenda on a recent visit to Argyll, taking in meetings with the local authority, Scottish Association for Marine Science and Machrihanish Airbase Community Company, along with several local businesses and a visit to Gigha.

The third meeting of the Regional Economic Partnership showed good progress and representation was now being lined up from amongst others, the private sector and communities. The Chair also reported strong regional representation at the Royal Highland Show.

The Chief Executive confirmed that he had written to the Scottish Government on issues regarding ferries, including HIE's concerns over moves by CalMac to impose penalties for cancelled bookings.

## **2.1 Financial statement**

The Director of Finance and Corporate Services presented a report summarising the financial position for the two months of the financial year to 31 May 2022.

For capital, spend was currently at 7.5% of budget, which was 9.2% behind straight line. This compared with being 6.3% behind in the previous month. The revised negative reserve of £2.7m was low for this early stage of the year. While the recently approved small business units at Broadford, Isle of Skye would increase the negative reserve, there was significant scope to grow it further with other top-sliced approvals, including own-hand property projects.

The majority of teams have significant scope to increase commitments against opening capital budgets. HIE had received a verbal indication that the Scottish Government would provide additional funding for the Cairngorm funicular reinstatement works and formal confirmation was now awaited. *[Sentences removed due to commercial sensitivity].*

For revenue, spend was at 12.9% of budget, which was 3.8% behind straight line (compared with 3.6% behind the previous month). The revenue budget was balanced, with no negative reserve, which was the desired position. Business-as-usual revenue was reported as £0.5m under-committed, however this was improving and new approvals for HIE's graduate programme and innovation programme would be helpful. Discussions with HMRC on historic VAT were continuing and it was hoped that a satisfactory conclusion was within reach.

There was currently no commitment for HIE's £2.6m financial transactions budget. This was used to fund loans, for which there was low demand at present. However, opportunities were being explored to utilise this effectively.

The Board noted the report and emphasised the need for HIE to continue to bring forward opportunities to invest in projects and programmes that would deliver positive impacts across the region. In discussion, the Director clarified that there was no opportunity to transfer budget between capital and revenue.

## **2.2 Resource and capital spending reviews**

*David Oxley rejoined the meeting.*

The Director of Finance and Corporate Services reported on an in-year commission that HIE had received from the Scottish Government during June. This introduced a new process for government approval for resource (ie revenue) expenditure greater than £1m that was not already legally committed, and requested HIE to provide details of uncommitted resource and to model a 2% reduction in resource budget (c£0.6m) for 2022/23.

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

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

Members discussed the potential impacts regarding both HIE's future budget and the new approval process for resource expenditure above £1m. It was agreed that these issues would continue to be discussed with Scottish Government officials and raised directly with the Cabinet Secretary when she joined the meeting (item 2.8).

The Board also welcomed as a positive response HIE's decision to establish a new Efficiency and Best Value Group to help drive efficiency across the organisation, with a remit that included managing budget reduction.

### **2.3 Performance outcome for 2021-22**

*Lorna Gregson-MacLeod and Alison Sharp joined the meeting.*

The Head of Planning and Partnerships presented the 2021/22 year-end review, showing progress made in delivering outputs against key measures and wider actions set out in HIE's Operating Plan. As well as providing a performance report for the HIE Board, the review will be used to inform HIE's annual report and accounts. It was noted that data relating to outputs during the year was still in the process of being recorded and would be finalised prior to the accounts being prepared and submitted for audit.

The Board welcomed a positive set of results, noting in particular strong investment in fragile areas and good performance in international sales and average salaries, as well as jobs created and retained across the region. There was evidence of economic recovery in many parts of the region, particularly in sectors that had been severely impacted by the pandemic, including tourism and food and drink.

In discussion, the Board questioned the use of cumulative, three-year outcomes alongside single year figures for some targets, and expressed a preference for these figures to report on a single year for greater clarity. In response, it was noted that all enterprise agencies used cumulative figures, so this metric offered the ability to make comparisons across Scotland. However, it was agreed that the annual report and accounts would present figures against a single, common timescale to avoid confusion.

Members requested that clear narrative be included in the annual report to explain the scale of impacts generated by a single investment in the Scottish Salmon Company. It was agreed that HIE should be ambitious in setting green jobs targets in future years, and in ensuring that the full range of outcomes arising from actions to support clients and projects to be greener can be captured. It would also be helpful to see trend information to show investment over time in the different geographical areas covered by HIE.

It was noted that turnover in the tourism sector would have been affected by the reduction in VAT during the pandemic, which would not carry over to future years. The accuracy of figures relating to average wage levels was questioned and it was agreed to check this. It was also confirmed that the use of a median measure was under consideration.

The Board thanked the Planning and Partnerships team for a clear and comprehensive report.

## **2.4 Operating plan**

The Head of Planning and Partnerships presented HIE's draft operating plan 2022/23 and invited comment from Board members. The draft had been created as a high level update to the previous year's plan, and its production had been postponed to ensure alignment with the new National Strategy for Economic Transformation.

In discussion, the Board were assured that actions and deliverables arising from the operating plan would be led by business units across HIE, including area and sector teams. Members commented on the high number of deliverables, reflecting the range of HIE's remit, and endorsed the focus on key activities, including capitalising on market opportunities in areas such as green energy, the blue economy, space, natural capital, tourism and food and drink, among others. The plan's emphasis on delivering net zero and fair work was also welcomed, and it was agreed that emphasis should be placed on key renewable energy sector opportunities in offshore wind and green hydrogen.

It was agreed that actions should be listed as bullet points, not numbers, as the order of presentation was not intended to imply priority. Further consideration should also be given to cross-referencing within the document to ensure the full range of anticipated impacts arising from individual projects was captured.

The Board's comments were noted and finalisation of the operating plan was delegated to the Chief Executive and the Director of Strategy and Regional Economy.

*Lorna Gregson-MacLeod and Alison Sharp left the meeting.*

## **2.5 Draft Risk and Assurance Committee minute from 7 June 2022**

Donald MacRae, as Chair of the HIE Risk and Assurance Committee, presented the draft minute of the meeting held on 7 June.

Agenda items at the June meeting had included Orkney Research and Innovation Campus; proposed changes to the governance of Wave Energy Scotland; Cairngorm, and Space Hub Sutherland. The Committee had also reviewed the new model code of conduct for board members of public bodies, and cyber security continue to be a vital area of interest. The draft minute will be submitted for approval to the next meeting of the Committee, due to be held on 20 September.

## **2.6 Risk and Assurance Committee annual report 2021-22**

The Board welcomed the annual report of the Risk and Assurance Committee, detailing work carried out throughout the year to provide assurance to the Board and the Chief Executive, as Accountable Officer. The Committee had met five times during 2021/22: four scheduled meetings plus an additional session to conclude discussions on the 2020/21 annual accounts. Items that were discussed had been aligned to the agreed plan and covered key risk areas.

The Committee were content with the quality of internal and external assurance reports, although opportunities to improve transparency in some areas were noted and matters for ongoing consideration in 2022/23 had been identified. It was agreed that the work of the Committee in year had been comprehensive and provided the Board with positive assurance on the HIE internal control environment.

## **2.7 Risk register**

The Director of Business Improvement and Internal Audit presented the latest version of the HIE corporate risk register, noting that it included draft wording of an updated risk appetite statement to which Board input would be welcomed. It was noted that a new risk had been added on inflationary pressures, and a risk that had previously been entitled 'Volatility in the external business environment' had been renamed

'Labour shortages and skills gaps' for greater clarity. Previous risks relating to housing and digital had been merged into a new 'Regional Infrastructure' risk that also covered transport issues, including ferries.

Following discussion, the Board welcomed the updated register.

## **2.8 Kate Forbes MSP, Cabinet Secretary for Finance and the Economy and Colin Cook, Director for Economic Development**

*Cabinet Secretary Kate Forbes MSP and Colin Cook joined the meeting.*

The Chair welcomed the Cabinet Secretary to the meeting and thanked her for recently approving the appointment of HIE's three new Board members. He outlined the scope of matters being considered and discussed at today's session and at the business breakfast that had preceded it. HIE was currently formulating its next strategy, guided strongly by the new National Strategy for Economic Transformation (NSET), and was committed to a culture of continuous improvement and greater efficiency, recognising the financial pressures affecting budgets across government and the wider public sector.

The Cabinet Secretary was pleased to have the opportunity to meet the Board, noting that she spoke regularly with the Chair and Chief Executive. It was important to maintain a two-way relationship between HIE and the Scottish Government, working collaboratively for the Highlands and Islands and for Scotland.

She outlined the key principles of NSET, emphasising that it had been prepared as a strategy to benefit all parts of the country, as relevant to Eigg as to Edinburgh, and set a vision for a thriving Scottish economy over a 10-year timescale. The approach sought to identify challenges, build on strengths and accelerate progress, with a particular emphasis on delivering success and not merely describing it.

The resource spending review had initially been prepared at a time when inflation was only one percent and would need to respond to current pressures on public spending. The economic situation remained volatile, affected by factors including rising inflation across the UK, ongoing impacts of Brexit and Covid, and war in Europe.

The Cabinet Secretary emphasised the importance of autonomy for HIE and all of Scotland's enterprise agencies. While the Scottish Government set objectives through NSET and the annual letter of guidance, it was the agencies' role to interpret and deliver these in the ways that would work best for specific circumstances affecting their organisations and regions.

The Board welcomed these comments, noting that HIE needed to be efficient, effective and accountable at all times while also having the freedom to interpret and apply NSET to benefit the Highlands and Islands. Discussion highlighted the need to focus activity on strong opportunities across Scotland, including capitalising on natural resources to grow sectors including renewable energy, tourism and food and drink, create high quality jobs and be internationally competitive. Skills would play a vital role, as would enterprise agencies' ability to leverage private investment.

Members stressed that the achievement of some of the key principles of NSET, including innovation and productivity, would look different in rural areas when compared with major urban centres, and metrics and measurement would need to recognise this. Investment in strategic infrastructure, including housing, transport and digital, would be vital to achieving progress across the whole country.

The Cabinet Secretary responded to Board concerns over the new requirement for Scottish Government approval for resource expenditure over £1m that was not already committed, noting that this had been introduced as a temporary measure in response to financial pressures across all parts of the public sector and was not intended to become the norm in future.

The Chair thanked the Cabinet Secretary for sharing her perspectives on NSET and engaging frankly and positively in two-way discussion with HIE. The Cabinet Secretary expressed her appreciation for the work that HIE does, noting that she looked forward to meeting Board members face-to-face in future.

*Kate Forbes MSP and Colin Cook left the meeting.*

### **3.1 Innovation programme 2022-25**

*Gillian Galloway joined the meeting.*

The Director of Service Delivery introduced this item, noting that innovation was critical to the successful delivery of NSET, particularly in areas such as productivity and net zero.

The Head of Innovation presented proposals for a new, three-year programme (September 2022 – August 2025) to provide innovation support and funding that would fill a gap in provision for organisations across the Highlands and Islands. The programme was built on experience gained over the past six years of innovation provision and aimed to offer an enhanced service delivered through a team of senior innovation managers working with area teams. The programme would focus on HIE clients whose actions were judged most likely to deliver the greatest regional impacts.

Board approval was recommended for cash funding totalling £3,506,000 to support 500 businesses (900 interventions) to engage in research, development and innovation across the region. The budget comprised £1,500,000 top-sliced capital and £2,006,000 discretionary revenue funding, and would fund the creation of six new posts of senior innovation manager as well as grant support to clients.

The Board expressed strong support for the programme, underlining the importance of innovation in achieving NSET ambitions. It was agreed that further consideration should be given to effective measurement of outcomes from this investment, and to benefits realisation, although the Board appreciated that the benefits from investment in innovation tended to be achieved over several years.

In response to a question from the Chair, the Head of Enterprise Support confirmed that the programme would not need to be submitted to the Scottish Government for approval. The Board approved the HIE Innovation programme 2022-25.

*Gillian Galloway left the meeting.*

### **3.2 Eabhal Business Park (phase 2)**

*Ruaraidh MacNeill and Graeme Adair joined the meeting.*

The Construction Frameworks Manager presented a paper seeking Board approval for £2.1m top-sliced funding to build infrastructure and seven commercial / industrial units at Eabhal Business Park, Benbecula. The project was part of a wider programme to develop small business units in five rural locations (Broadford, Benbecula, Wick, Dunoon and Golspie).

An earlier development in Eabhal Business Park had proven very successful with all five units let within six months of completion. Demand for this second phase was expected to be high. The buildings would be flexibly designed to enable a range of commercial uses, and in line with HIE's net zero targets HIE had received £350,000 funding for phase one from the Regeneration Capital Grant Fund and would apply again for the new development.

In discussion, it was noted that the land for the business park was leased by HIE from Highlands and Islands Airports (HIAL), which would limit HIE's scope to sell the properties in future. HIE had previously sought to buy the land and it was agreed that a further approach should be made to HIAL.

The Board approved the initiative and the necessary associated funding as a valuable means of supporting small businesses in a fragile island location.

## **4**    **UPDATES** **CUNNTASAN AS ÙR**

### **4.1    HIE property strategy – one year on**

The Director of Business Infrastructure delivered an update on progress with implementation of the HIE Property Strategy that was approved by the Board in June 2021.

The Business Infrastructure team was taking an approach that was both place-based and collaborative to develop solutions that meet the needs of local businesses and communities and support their development ambitions, with the aim of achieving a good geographic spread. Although good progress had been made, it was stressed that significant market challenges had emerged recently, driven by factors including property insurance, capital development costs, supply chain issues and inflation, and these were likely to continue.

In discussion, the Director highlighted the large size of HIE’s property portfolio as a challenge and agreed with a suggestion from the Board that land acquisition, in addition to property construction, could be a useful tool to support development. It was confirmed that HIE was actively investigating opportunities to release land that could be used for housing development in different parts of the region. It was noted that Machrihanish had a significant impact on vacancy levels, as well as a very high rates bill, and HIE was exploring a range of options to return the site to productive use.

The Board welcomed the progress being made and requested annual updates.

*Ruaraidh MacNeill and Graeme Adair left the meeting.*

### **4.2    Digital**

*Andrea Rutherford joined the meeting.*

The Head of Policy, Digital Highlands and Islands, updated the Board on a range of activities to extend and improve digital connectivity in the Highlands and Islands. Her report covered the Scottish Government’s R100 programme, broadband coverage, the Inverness and Highland City-Region Deal, and the Digital Scotland Superfast Broadband programme, which had completed build in January 2021 and was expected to close formally, following review by BDUK, by the end of 2022.

In discussion the Board expressed the view that the Scottish Government voucher scheme was insufficiently resourced to meet the needs of rural areas, particularly in remote parts of the Highlands and Islands. It was suggested that there was a need to engage the private sector and involve Ofcom. It was noted that HIE staff were engaged with policy makers and, in Highland, exploring the potential to top up voucher funding through the Inverness and Highland City-Region Deal. HIE had also stepped in to support a community in Argyll with plans to trial satellite broadband, although Board members observed that this was likely to offer only a limited solution.

The update was welcomed and it was agreed that further discussion should take place to prepare a case for presentation to Ofcom. It was also noted that the Scottish Government digital directorate would attend a future Board meeting.

*Andrea Rutherford left the meeting.*

### 4.3 Tourism

*Anna Miller joined the meeting.*

The Head of Tourism presented a summary and analysis of HIE tourism delivery in 2021/22, along with a market outlook and areas of focus for HIE in 2022/23. Working with the £11.5 bn industry and partners, much of HIE's activity in the past year had focused on Covid recovery. In addition delivering recovery funding and other assistance, HIE had engaged with the sector to advance the ambitions of the Scottish Tourism Alliance national strategy, *Scotland Outlook 2030*, which aims for Scotland to be a world leader in 21st century tourism. Following publication of the National Strategy for Economic Transformation, HIE was continuing to work with the sector to achieve sustainable growth and increased competitiveness.

HIE had approved over £13m for tourism development in 2021/22, the highest total for any sector and more than double the average annual value of £6.3m before the pandemic. This recognised the scale, breadth of opportunity, and contribution of the tourism sector to the Highlands and Islands. The previous year's total of £17m had included additional Covid recovery funding through the Scottish Government, including the Hotel Support Programme, Scottish Wedding Industry Fund, Snowsports Programme and Communities Recovery Fund.

A total of 124 tourism projects had been approved in 2021/22, 27% in fragile areas. Significant investments had included Inverness Castle, Fair Isle Bird Observatory, Corpach Marina, and the mountain resorts at Cairngorm, Glencoe and Nevis Range. Seventy percent of approvals had been made to micro businesses, with up to nine employees. Key themes for the year had included net zero; fair work; mountain biking; developing leadership and entrepreneurship; sustainable, place-based recovery, and visitor management.

The Board welcomed the update, and commended the Head of Tourism for her work in compiling the report, including seeking input from tourism businesses. Members appreciated the active role that HIE took in the Scottish Tourism Emergency Response Group and other industry bodies and in ensuring that the region's potential to drive growth in Scottish tourism was well represented in *Scotland Outlook 2030*. It would be important to tie in future activities with the new innovation programme that had been approved earlier today, including learning journeys and leadership development.

It was agreed that the report demonstrated the high level at which HIE had performed in supporting the tourism sector in recent years. Progress on delivering the agreed priorities for 2022-23 was welcomed. Collaboration with partner bodies, including VisitScotland and local authorities, would continue to be important in understanding and addressing the impact of essential infrastructure such as broadband, roads and ferries, on the region's competitive offering to attract visitors. Members also noted that 25% of HIE approvals had been made to social enterprises, reflecting the significant role they play in the sector across the region.

Summing up, the Chair commented that the report was a strong endorsement for HIE's continued focus on supporting the development of tourism as a hugely important sector with considerable capacity for further growth in the Highlands and Islands.

*Anna Miller left the meeting.*

## 5 ITEMS FOR INFORMATION CUSPAIREAN AIRSON FIOSRACHADH

### 5.1 Workforce plan

The Board discussed the new HIE workforce plan, which aims to ensure that the organisation's operating model continues to evolve and align resources to optimise delivery of the operating plan and the National

Strategy for Economic Growth. Moves to strengthen frontline resources and facilitate a younger age profile among HIE staff were welcomed, and members endorsed the importance of HIE maintaining and strengthening its local presence through area teams across the region.

The Chief Executive and the Director of HR stressed the need for the workforce plan to be agile and flexible, including adapting to the outputs from the NSET delivery board and working groups that were currently in progress and to which HIE was contributing. Amanda Bryan indicated that there were questions she would like to follow up with the Director of HR after the meeting and this was agreed.

## **5.2 HIE publication scheme quarterly approvals January – March 2022**

The latest quarterly approvals list was noted for information and would be published on the HIE website.

## **5.3 Any other business**

The Chair reported that HIE's Executive Office would be in contact with Board members, other than the three new Board members, during July to arrange appraisal meetings.

## **5.4 Forthcoming meeting dates**

The next meeting of the HIE Board is scheduled to take place on Tuesday 30 August 2022.

Chris Roberts  
28 June 2022