



## BOARD MEETING COINNEAMH BÙIRD

### MINUTE OF THE HIE BOARD MEETING HELD ON FRIDAY 24 SEPTEMBER 2021 AT 1130 BY VIDEOCONFERENCE

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

#### **IN ATTENDANCE:**

David Oxley	Director of Strategic Projects
Douglas Cowan	Director of Communities and Place
Martin Johnson	Director of Strategy and Regional Economy
Nick Kenton	Director of Finance and Corporate Services
Sandra Dunbar	Director of Business Improvement and Internal Audit
Stuart Black	Interim Lead Area Manager
Chris Roberts	Head of Communications
David Howie	Project Lead, item 1.3
Roy Kirk	Project Director, Space Hub Sutherland, item 1.3
Katrina Wiseman	Interim Area Manager, Shetland – item 1.4
Fiona Stirling	Development Manager, Shetland – item 1.4

#### **1.1 Welcome and apologies**

The Chair welcomed everyone to this additional meeting of the Board. Apologies had been received from Robert McIntosh.

#### **1.2 Declarations of interest**

Amanda Bryan commented that the paper on Fair Isle Bird Observatory (item 1.4) made reference to funding from Shetland Islands Council's 'Crown Estates Fund', noting that this relates to the Coastal Communities Fund, a grant scheme funded by net revenues from Crown Estate assets in Scotland. Ms Bryan clarified that she had no role in decision making regarding this fund. The Chair agreed that there was no conflict of interest, and that Ms Bryan's clarification would be noted in the minute.

#### **1.3 Space Hub Sutherland**

The Director of Strategic Projects updated the Board on several aspects of the Space Hub Sutherland programme. These comprised: the recent outcomes of a judicial review and HIE's application to the Scottish Land Court; *[Sentence removed in the interests of the effective conduct of public affairs]*

Board members welcomed the progress that had been made *[Sentence removed in the interests of the effective conduct of public affairs]*

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

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

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

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

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

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

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

*David Howie and Roy Kirk left the meeting.*

#### **1.4 Fair Isle Bird Observatory Trust**

*Katrina Wiseman and Fiona Stirling joined the meeting.*

The Shetland area team presented a paper recommending HIE cash funding totalling £2,348,590 to support Fair Isle Bird Observatory Trust (FIBOT) to take forward a £7,217,642 construction project to rebuild, enhance and decarbonise the island's renowned bird observatory and guest house. In addition to £650,000 of HIE grant-in-aid, this investment was mainly sourced from Scottish Government, comprising £1,300,000 from the Islands Critical Infrastructure Fund, £200,000 from the Green Jobs Fund, and £198,590 of Net Zero Tourism funding.

The Board recognised that the observatory had played a vital role since the mid-20<sup>th</sup> century in providing direct and indirect employment, attracting visitors and maintaining population, all of which had kept this fragile island sustainable. The previous building, constructed in 2010, had been destroyed by fire in 2019. Unfortunately, *[Sentence removed in the interests of the effective conduct of public affairs, and due to commercial sensitivity]*

Design improvements had been incorporated to the proposed new building, including measures to enhance sustainability and energy efficiency, high quality accommodation for visitors, staff and researchers, more beds for visitors and additional space for research. Green energy would come from the island's community-owned grid system, solar panels and battery storage.

The Board discussed the proposal in some detail, commenting and asking questions on several issues, concerning both the construction project and future operations of the business.

Regarding construction, the team described contractual arrangements that were in place to achieve a successful outcome within the agreed timescale, although it was recognised that this would be challenging. The new building would be on the footprint of the previous one, and there was confidence that the planning application would be approved. While Fair Isle's remote location presented

challenges, modular construction would take place off-site and the shipping company that would be used was familiar with the island. It was confirmed that the cost of a performance bond was included in the budget.

*[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]*

Several members emphasised that effective and efficient management was essential to build a strong and sustainable tourism business on Fair Isle, recognising the central role that the observatory plays in island life. HIE staff responded that moves were under way to strengthen the management team, including the creation of a new post that would increase expertise in hospitality, marketing and tourism. HIE had also appointed a development worker to provide direct support to FIBOT.

Another important issue was the quality of the new building. It was agreed that staff would seek assurance that the property would have a design life of at least 50 years, and confirmation that the materials proposed for construction were appropriate to withstand conditions on Fair Isle over time. It was also essential that insurance cover was robust and comprehensive.

*Due to a prior commitment, David Oxley left the meeting at 1233.*

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

The project was approved.

*Katrina Wiseman and Fiona Stirling left the meeting.*

## **1.5 Any other business**

There was no other business and the meeting closed at 1245.

**CLOSE DÙNADH**