

**Highland Council
Corporate Resources Committee**

Minutes of Meeting of the **Commercial Board** held in the Leader's Meeting Room, Council Headquarters, Inverness on Wednesday 20 June 2018 at 2.00 pm.

Present

Mr Gordon Adam

Mr George Cruickshank

Mr Laurie Fraser

Mr Richard Gale

Mr Jimmy Gray

Mr Derek Loudon

Ms Maxine Smith

Officials in attendance

Mr E Foster, Head of Corporate Finance and Commercialism, Finance Service

Mr M Bailey, Principal Project Manager, Commercial & Efficiency Team, Corporate Resources Service

Mr M Kelly, Project Manager, Commercial & Efficiency Team, Corporate Resources Service

Mrs L Dunn, Principal Administrator, Chief Executive's Office

An asterisk in the margin denotes a recommendation to the Corporate Resources Committee. All decisions with no marking in the margin are delegated to the Board.

MR G ADAM IN THE CHAIR

BUSINESS

1. Apologies for Absence

Apologies for absence were intimated on behalf of Ms D Mackay, Mr A Rhind and Mr P Saggars.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of Last Meeting

There was circulated the Minutes of the last meeting held on 16 May 2018, the terms of which were **APPROVED**.

Arising from the Minutes, it was **AGREED** that a copy of the Project ID Index Code would be appended to future papers.

4. Exclusion of the Public

The Board **RESOLVED** that under Section 50A(4) of the Local Government (Scotland) Act 1973 the public be excluded from the meeting on the grounds that the matter for discussion would involve the likely disclosure of exempt information as defined Part I of Schedule 7A of the Act.

5. Commercial Strategy/Vision

The Chairman of the Commercial Board had been working with the Administration on identifying the processes for a decision making mechanism and associated delegated powers, and provided the Board with an update on the latest position.

The Chairman advised that the Leader of the Council had indicated that the Administration was supportive of the Commercial Board acknowledging that its role was vital to the future of the Highland Council and she urged the Board to think of large scale Highland wide projects. The Leader further highlighted that there might be a requirement for external expert advisors to undertake specific scoping work. However, although the Board recognised the need for projects to undergo a process of diligence, concern was expressed at the suggestion of external advisors being appointed in view of the risk that commercially sensitive information could be compromised. It was therefore recommended that this aspect should not be taken forward at this stage. The Principal Project Manager, Commercial & Efficiency Team, proposed that the Board should consider the need for external advice on a case by case basis and further suggested that consideration should be given to investing in the Commercial and Efficiency Team with a view to growing in-house expertise and self-sufficiency. The Commercial and Efficiency Team was commended for their work and the significant progress that had been made since the inception of the Commercial Board.

Thereafter, the Board **NOTED** the update and that the Chairman and Vice Chairman of the Board would hold a further meeting with the Leader of the Council and the Convener in early July 2018.

6. Commercial Opportunities

There had been circulated Report dated 12 June 2018 by the Principal Project Manager, Commercial & Efficiency Team, which gave an update on progress of the current portfolio of Commercial opportunities.

Following detailed discussions, the Commercial Board **NOTED** the update and also:-

- i. **NOTED** the addition of a new project (CI15) and that a Business Case in regard to this would be submitted to the next meeting;
- ii. **NOTED** the update provided on the liaison meeting that had been held on 8 June 2018 and **AGREED** that pre-planning advice be sought from Council Planning officials in regard to CI4 the outcome of which along with feedback from the workshop being held in August 2018 would be reported to a future meeting;
- iii. **NOTED** that a Business Case would be presented to the next meeting in regard to CI9;
- iv. **AGREED** to recommend to the Deputy Chief Executive/Director of Corporate Resources to finance a high level external appraisal to be undertaken in regard to CI14;
- * v. **AGREED** to recommend to Corporate Resources Committee that a budget allocation be assigned to the Commercial Board to establish an investment fund to facilitate and support preliminary project scoping costs; and
- vi. **NOTED** the new ideas presented and **AGREED** that these be examined further.

7. Commercial Property Investment Opportunities

There were no items reported in regard to this matter.

The meeting was closed at 3.15 pm.

**Highland Council
Corporate Resources Committee**

Minutes of Meeting of the **Commercial Board** held in Committee Room 2, Council Headquarters, Inverness on Thursday 9 August 2018 at 2.00 pm.

Present

Mr G Adam
Mr G Cruickshank
Mr J Gray

Mr D Louden
Mr P Saggars
Ms M Smith

Officials in attendance

Mr W Gilfillan, Director of Community Services
Mr E Foster, Head of Corporate Finance and Commercialism, Finance Service
Mr M Bailey, Principal Project Manager, Commercial & Efficiency Team, Corporate Resources Service
Mr M Kelly, Project Manager, Commercial & Efficiency Team, Corporate Resources Service
Mr E Boyd, Energy & Sustainability Manager, Development & Infrastructure
Mr S Gilfillan, Renewables Engineer, Development and Infrastructure
Mrs A Prior, Technical Business Analyst, Commercial & Efficiency Team, Corporate Resources Service
Mrs L Dunn, Principal Administrator, Chief Executive's Office

An asterisk in the margin denotes a recommendation to the Corporate Resources Committee. All decisions with no marking in the margin are delegated to the Board.

MR G ADAM IN THE CHAIR

BUSINESS

1. Apologies for Absence

Apologies for absence were intimated on behalf of Mr L Fraser, Mr R Gale, Ms D Mackay and Mr A Rhind.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of Last Meeting

There was circulated the Minutes of the last meeting held on 20 June 2018, the terms of which were **APPROVED**.

4. Exclusion of the Public

The Board **RESOLVED** that under Section 50A(4) of the Local Government (Scotland) Act 1973 the public be excluded from the meeting on the grounds that the matter for discussion would involve the likely disclosure of exempt information as defined Part I of Schedule 7A of the Act.

5. Commercial Strategy

There had been circulated Report dated 3 August 2018 by the Commercial & Efficiency Team which set out the Council's Commercial Strategy 2019-2022. A presentation was made in support of the report which highlighted the revisions that had been made to the strategy.

- * Following discussion, the Committee **AGREED** to recommend to Corporate Resources Committee approval of:-
 - i. the Commercial Strategy 2019-2022 subject to paragraph 8.11 of the strategy being amended to include the Depute Leader and a representative from the Commercial Board on behalf of each political group or substitute; and
 - ii. establishment of an Investment Fund of £100,000 for authorised spend to support the development and delivery of commercial projects.

6. Additional Item: Energy Scheme

There had been circulated Report dated 7 August 2018 by the Principal Project Manager, Commercial & Efficiency Team which presented a business case for an energy scheme. The report was supported by a presentation at the meeting.

- * Following consideration and detailed discussion, the Board **AGREED** that the business case on the Energy Scheme be recommended to Corporate Resources Committee for approval.

At this point, Mr J Gray left the meeting (3.00 pm).

7. Commercial Opportunities

There had been circulated Report dated 3 August 2018 by the Principal Project Manager, Commercial & Efficiency Team, which gave an update on progress of the current portfolio of Commercial opportunities. In addition, presentations were also made in regard to Outline Business Cases that had been prepared in regard to projects CI9 and CI14.

Following detailed discussions, the Commercial Board **NOTED** the update and also:-

- i. **AGREED** that a Full Business Case on CI4 be prepared within the next two months and presented to a future meeting of the Board;
- ii. **NOTED** that an update on CI3 and the outcome of the August 2018 meeting would be reported to the next Board meeting;
- iii. **NOTED** that an Outline Business Case would be presented to a future meeting in regard to CI7;
- iv. **AGREED** to the continued investigation of CI9 with a view to developing a Full Business Case for submission to a future meeting of the Board; and
- v. **AGREED** in principle, subject to approval of an Investment Fund by Corporate Resources Committee, that an external consultant be commissioned to undertake feasibility study in regard to CI14.

8. Commercial Property Investment Opportunities

The Board **NOTED** that a report on this matter would be submitted to the next meeting.

9. Any Other Business

The Board **NOTED** that a report on the revised Fee and Charges Policy would be submitted to a future meeting prior to being presented to Corporate Resources Committee on 21 November 2018 for approval.

The Chairman proposed that the meeting scheduled for Tuesday 20 November 2018 be cancelled and this was **AGREED**.

The meeting was closed at 4.12 pm.