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## MINUTES

Meeting of: Scottish Futures Trust Board

Date & Time: 24th January 2012 at 10:30am

Place: Meeting Room 2, Scottish Futures Trust, 11-15 Thistle Street, Edinburgh

Attendees: Sir Angus Grossart - Chairman (AG)  
Graeme Bissett (GB)  
Cllr Jim Fletcher (JF)  
Carolyn Dwyer (CD)  
Barry White (BW)  
Peter Reekie (PR)  
Neil Grice – in attendance at 11:30am

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**The Chairman welcomed all to the meeting and noted apologies from Fiona Mackenzie.**

### 1. Minutes of previous meeting

The minutes of the 5<sup>th</sup> December 2011 meeting were accepted as a true and fair record.

#### Matters arising:

- a) **Infrastructure Investment Plan (IIP)** – BW reported that the IIP, which sets out Scottish Government's long term economic plans and priorities, has allowed SFT to commence preparatory work in various areas and identify where there is scope to add value. The Board agreed that SFT should progress with commentary on the IIP.  
**Action: BW/AG** to discuss with Alex Neil.
- b) **PFI Reform call for evidence** – BW and PR are meeting with Infrastructure UK on Friday 27 January. The evidence submission will be copied to the Board.  
**Action: BW**
- c) **Asset Management** – The Chairman reiterated that it would be important to maintain operational freedom for the Asset Management team under the SG chaired Asset Management Programme Board, in order for SFT's work to gain traction.
- d) **Health and Safety** – With reference to the discussion at the last Board meeting regarding health and safety, GB advised that guidelines should be reviewed for SFT staff visiting construction sites.  
**Action: BW**
- e) **TIF** - CD gave an update on the possible use of TIF for the Northern Line extension.

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## 2. Chairman's Report

The Chairman reported that since the last meeting he has had various interesting engagements with Ministers including Alex Neil, John Swinney and the First Minister. The annual meeting with Alex Neil and SFT Board members is being organised for 5 March, as per the Management Statement and Financial Memorandum.

Positive comments have been received from the construction and house-building sector in particular, with SFT's broad spectrum of activity being widely recognised.

The Chairman has also met with members of the press and it was noted that recent coverage of SFT in the press has been to report on progress being made.

## 3. Chief Executive's Report

The Chief Executive reported that significant progress has been made across SFT's various work areas since the last Board meeting. The most recent highlights have been the first tenants moving into the NHT properties in Stirling and the first standalone NPD projects going into procurement, namely Glasgow College and Inverness College, to be followed by the M8, Royal Hospital for Sick Children and Kilmarnock College projects.

PR gave an update on Edinburgh TIF, reporting that SFT has been working with City of Edinburgh Council to look at issues relating to Leith's recently announced enterprise zone status.

**Action: PR** to produce TIF summary note and circulate to Board.

BW gave an update on SFT's work on Broadband, advising that SFT has been supporting SG's Digital Team investigating the options for investment. SG are considering options and will make a decision as to the scope of Broadband work. The potential for SFT involvement can be reviewed at this time.

**Action: BW** to advise the Board when SG decision received and to convene an interim Board Meeting by telephone if necessary.

BW noted that with regard to communications, recent press coverage in the trade and business press has been mainly factual.

## 4. hub

Neil Grice joined the meeting to give an update on recent progress in the hub programme.

The accumulation of knowledge and lessons learnt in the various hub territories was noted as very positive, putting the hub team in a strong position for the continued delivery of value for money. The Board noted the significant progress made by the hub team and the opportunities and potential created by collaborative work. The challenges in terms of governance as the £1.4bn pipeline of projects is delivered were discussed, and the

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importance of having an overview on cost management for the whole hub estate was acknowledged. The Board discussed the importance of SME engagement and local employment and training. Maintaining key performance data in this regard was agreed to be important.

**Action: BW** – hub key performance indicators to be reviewed.

#### 5. Finance and Risk review

PR provided a brief update on SFT's financial position. During the remainder of the financial year there will be some cost acceleration but outturn is predicted to remain under budget at year end.

PR talked through the table of risks on the risk review paper. SFT's corporate risks were discussed. With regard to asset management work, BW informed the Board that a medium-term plan will be set out in the 2012/13 Business Plan. It was noted that the risk of judicial review had been acknowledged and legal advice taken to ensure that all procedures are compliant. Staff retention was also referred to as a risk which will be discussed at the next Board meeting.

#### 6. Business Plan Overview 2012/13

BW gave the Board an update on the production schedule for the SFT Business Plan, confirming that a more detailed discussion will take place at the Board Meeting on 5 March 2012, for which a final draft will be issued for the Board's review. The agreed final version is planned to be issued towards the end of March. The format of the Business Plan will be similar to last year's but content will focus on the themes of improved asset management, additional investment above capital budgets and the delivery of completed projects.

#### 7. Review of Registers of Interests and Hospitality

The Board reviewed the registers of hospitality and interests. An addition and a deletion were requested to the Register of Interests by two Board members.

**Action: VS** to update Register of Interests accordingly.

#### 8. AOB

The Chairman of the Audit Committee (GB) advised the Board of discussions that had taken place at the Audit Committee meeting that morning. Firstly, the Audit Committee recognised the need for visibility of financial controls across SFT's landscape of activity in order to reflect its ongoing responsibility for achieving value for money. The Board were content with GB's proposal that the Project and Programme Governance Plan should be refreshed in the interim and discussed at the next Board meeting.

**Action: PR** to review and circulate.

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Secondly, with regard to compliance with the MSFM, it had been noted by the Audit Committee that documentation of the Chairman's assessment of Board members was required. It was agreed that going forward the Chairman will report on these discussions at Board meetings and this will therefore be documented in the Board minutes.

PR proposed that a meeting of the SFT Investments Board should take place immediately after the March Board meeting in order to discuss the process for investment in projects. The Board agreed with this proposal.

**Action:** PR to provide a paper.

There being no further business, the Chairman closed the meeting.

**9. Date of next meeting**

Monday 5th March 2012 (11.00am)

**Meeting Dates for 2012:**

24th January 10:30	5th March 11:00	9th May 15:00	26th June 10:30
21st August 10:30	1st October 11:00	3rd December 11:00	