

MINUTES

Meeting of: Scottish Futures Trust Board

Date & Time: 21 August 2012 at 10.30 am

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

Attendees: Sir Angus Grossart - Chairman (AG)
Barry White (BW)
Carolyn Dwyer (CD)
Graeme Bissett (GB)
Cllr Jim Fletcher (JF)
Peter Reekie (PR)
Jillian Allan (JA – Minutes)

Apologies: Fiona Mackenzie (FM)

Attendees for Item 3 – Asset Management Presentation: Colin Proctor (CP)
Peter Kearns (PK)
Graham Black (GB)
Paul Devine (PD)

The Chairman welcomed all to the meeting. Apologies were received from Fiona Mackenzie. A separate meeting with Fiona Mackenzie, Sir Angus Grossart and Barry White is scheduled to take on Thursday, 23 August 2012.

1. Minutes of previous meeting

The minutes of the 26 June 2012 meeting were accepted, with amendments, as a true and fair record.

Action: BW to circulate final minutes.

A brief update was given on the TIF projects in Aberdeen and Glasgow.

A discussion was held on the benefits statement publication and subsequent response. Suggestions were put forward in terms of clearly relating the benefits to individual programmes and reinforcing the progress being made at key points throughout the year. It was also agreed to be important that SFT's role in key programmes, that have their own identity such as hub and NHT, remains clearly understood and recognised.

Action: BW to review benefits statement structure and to consider how best to articulate SFT's role.

2. Chairman's Report

The Chairman reported on various meetings held with Ministers including Alex Neil and John Swinney, other politicians and also with professionals within the construction industry.

A discussion followed on the challenging conditions facing the contracting market and the addition of overseas companies, not normally active in Scotland, joining the tendering process. The financial strength of contractors and their ability to provide a security package to those providing the finance to projects was discussed.

A detailed discussion ensued regarding the development of options for institutional investment into infrastructure projects. A key area to be considered is the appeal to pension funds of matching liabilities to investment which means that investments providing index linking are seen to be much more attractive, and thus likely to source funds more easily. It was agreed that a further discussion would be held at the next meeting with an interim discussion between AG/PR/BW.

Action: A meeting to be arranged between BW/AG/PR to discuss options and institutional investment to be an agenda item for 1 October.

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 and briefly outlined the most recent highlights, in particular noting that: three schools had opened over the summer; intense activity was taking place assessing the bids for funding for proposed school projects in phase 3 of the programme; the reference designs of primary school had been well received; and reference designs are being developed for community health facilities.

Asset Management Programme (AMP) team members gave a presentation to the Board. The team outlined the three strands of the asset management programme and the governance structure. After discussing the programme, and the challenges and opportunities that lie within it, the Board supported the current approach and asked that the asset management team ensure that the balance between long term strategic savings and more immediate savings is struck. The need to secure sufficient short to medium term successes and resultant savings in order to create momentum was emphasised.

Action: BW to arrange for another update/presentation for AMP team members early 2013.

4. Matters Carried Over to Next Meeting

It was agreed to carry over the agenda items on Borrowing Powers, Future Realisation of Benefits and Public Sector Reform to the 1 October Board Meeting.

5. AOB

None

6. Date of next meeting

Monday, 1 October 2012 (11:00)

Meeting Dates for 2012:

1 October 11:00	3 December 11:00	
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