
MINUTES

Meeting of: Scottish Futures Trust Board

Date & Time: 15th August 2011 at 2:30pm

Place: SFT Boardroom, 11-15 Thistle Street, Edinburgh

Attendees: Sir Angus Grossart - Chair (AG)
Graeme Bissett (GB)
Cllr Jim Fletcher (JF)
Fiona Mackenzie (FM)
Barry White (BW)
Peter Reekie (PR)

Apologies: Carolyn Dwyer (CD)

The Chairman welcomed all to the meeting.

1. Minutes of previous meeting

The minutes of the 27th June 2011 meeting were accepted as a true and fair record.

2. Chairman's Report

The Chairman reported that since the last meeting he and the Chief Executive have been in regular contact. The Chairman further reported that he had met Alex Neil, and John Swinney as well as having had conversations with Alex Salmond.

The Chairman reported that all of these conversations were positive and that the expanded and expanding role of SFT continues to receive the full backing of the Scottish Government.

The Chairman also reported that he had met separately with Iain Gray and Sir Peter Housden. A further meeting between the Chief Executive and Sir Peter has been arranged to discuss the asset management reports in more detail.

3. Chief Executive's Report

The Chief Executive advised the Board that since the last board meeting there had been good progress across SFT's activities. Particular points discussed were:

a. hub

The last of the 5 territories, the South West, is due to OJEU this week marking an important milestone of progress with all territories having entered procurement since the formation of SFT.

b. Schools programme

Pilot projects in both East Renfrewshire and Midlothian have signed contracts and remain on target to open in 2013. Enabling works have started on one site and ground cutting ceremonies will take place in due course. A significant degree of commonality has been achieved between the two schools and work is continuing to confirm the benefit delivered by the joint approach.

c. NHT

NHT has signed contracts for 296 houses with more signings to come. Tweed Homes have started work on site.

d. Public Sector Procurement

The resourcing of public sector procurement teams across all sectors remains an issue of concern.

4. Challenge Function

PR presented SFT's challenge function across all projects in the £2.5bn revenue funded investment pipeline. The Board was made aware of how this function delivers improved value for money through challenging and benchmarking of approaches, space allocations and specifications between projects and sectors. The challenge is appreciated by many Project Teams seeking to optimise whole life costs. The approach requires resilience and determination within SFT. The Board noted the value brought by the approach and registered its support to the team in continuing to apply robust challenges to projects.

5. Asset Management

Following the presentation by Colin Proctor to the Board at the last meeting the asset management reports are in final draft form and copies have been provided to Alex Neil. The Board discussed the report content, including prudent assumptions of savings and the options moving forward in delivering what will be a challenging task.

Action: BW to circulate the full reports to Board members.

6. Finance and Future Budgets

The Director of Finance & Structures provided a current update showing SFT running under budget for both July and the year to date. He also provided the board with the background to SFT's future budget. The Board noted that SFT had bid for flat budgets of £5.5m per

annum to 2014/15. Budget scenarios were discussed in high level terms to be reviewed following the spending review outcome.

7. AOB

Communications Manager

The Chief Executive advised that a new Communications Manager was starting today and he would be introduced to the Board at a later date.

Website

The Chief Executive updated the board that the website is currently being updated.

Borrowing Powers

The Chief Executive advised Board members that the executive team was keeping abreast of developments in relations to the Scotland Bill and borrowing powers in particular. He noted that borrowing powers may provide opportunities to leverage additional value for money in NPD projects through the provision of targeted underwriting of debt, as in Germany or France, as well as giving an ability to increase directly the capital available for investment in infrastructure.

8. Date of next Meeting

Monday 3rd October 2011 (10.30am)

Meeting Dates for 2011 – all meetings start at 2.30pm unless otherwise stated:

25th January	7th March 2.15pm	4th May	27th June 3.30pm
15th August	3rd October 10.30am	5th December	