

THE NDA NORTH HIGHLAND REGENERATION FUND

MINUTES of the **8th** Board Meeting of the above named Company held at the NDA office, Freswick House, Forss on the 27th July 2007 at 10.30.

PRESENT: John Thurso, MP (Chairman)
John Farquhar, NDA
Neil Robertson, New Park Management
David Flear, Highland Council

IN ATTENDANCE: Derrick Milnes, Dounreay Stakeholder Group
Elizabeth Stephenson, NDA (Secretary)

APOLOGIES: Carroll Buxton, CASE
Prof. John Fyfe, Independent
Karen Dickens, NDA

1 CONFLICT OF INTEREST

There were no conflicts of interest to record. The Chair informed the Board of the Companies Act 2006 and its effect on conflicts of interest.

2 MINUTES OF THE PREVIOUS MEETING

The minutes of the last meeting were agreed and signed by the Chairman as a true record.

3 MATTERS AND ACTIONS ARISING

3.1 The updated Action List is attached.

4 FINANCE

4.1 NR updated the Board on the current financial status and noted the loans approved at the June Board meeting would be paid out today. There will be an increase in interest payments from October 2007.

4.2 The Accounting Reference Date has been changed to 31.03 and the first set of accounts is to be delivered to Companies house by 05.03.08.

5 REVIEW OF PROJECTS AND ENQUIRIES

5.1 The Fund has received two new enquiries since the last meeting. There are various companies still at the gathering information and development interviews stage.

5.2 The Board noted Specialist Engineering Services Limited was in the final application development stage and that a reasonably speedy decision may be necessary. The Board agreed that if due diligence were satisfactory it was likely to approve the application.

6 CONFIRMATION OF APPROVED PROJECTS

- 6.1 The Fund considered an application from On-Route Logistics Limited and approved the recommendation to provide the loan in two instalments subject to the legal situation regarding the lease and the planning situation reaching satisfactory resolutions.

7 RISK MANAGEMENT

- 7.1 JF provided a spreadsheet showing a list of risks with columns for probability and impact. The scores in each column are multiplied to provide a total score for the risk and actions are identified for the larger risks.
- 7.2 The Board discussed the risks with the higher scores, for example “support withdrawal” and agreed robust control systems were in place to deal with the risks.
- 7.3 The Chair noted it would be useful to review strategy at the next Board Meeting, to review the work performed to date and where the Fund wishes to go in the future.

Action 8.1:

ES to add strategy discussion to September Board agenda

Action 8.2:

JT to draft a brief options paper on potential strategies for the Board to comment on and review

- 7.4 JF noted the NDA Socio-Economic Panel meets in early September and the Board agreed to make a formal application to the NDA for the next tranche of funding.
- 7.5 It was agreed to review the risk spreadsheet every quarter.

8 AOB

- 8.1 The Board agreed to change the name of the company from NDA North Highland Regeneration Fund to North Highland Regeneration Fund.
- 8.2 The Board noted the AGM would be held on 4 October 2007 and discussed the Chairman’s statement.
- 8.3 The Board agreed the Publication Scheme.
- 8.4 JF updated the Board on the state aid issues surrounding the possible grant to Wick Harbour Authority. The Chair noted there were possible ways forward. It was agreed to put on hold the change to the constitution around the provision of grants.
- 8.5 There was no other business and the meeting was closed.