**HIGH LIFE HIGHLAND (TRADING) CIC**

Minutes of Meeting of the Board of High Life Highland (Trading) CIC held in the Strathpeffer Pavilion, Strathpeffer on Tuesday 27 August 2019 at 11.00 am.

**PRESENT**

Ms L Christie Ms F Newton

Mr C Ewan Mr K Nicol

Mr D Finlayson Mr I Ross

Mrs A Matheson Mr M Tate

Mr J Murray

**Also in Attendance:-**

Mr D McLachlan

Mrs E MacRae

**Officers in Attendance:-**

Mr I Murray, Chief Executive

Mr S Walsh, Chief Executive Designate

Mr S Fraser, Company Secretary

Mrs F Hampton, Head of Business

Mr J Martin, Head of Development

Mr J West, Head of Culture

Mr D Wilby, Head of Performance

Mr G Cross, Commercial Manager

Mr N Johnston, Finance Manager

Mrs J Mackenzie, Principal Business Support Manager

Miss J Maclennan, Company Secretary’s Office

**Others in Attendance:-**

Mr D Forsyth, Saffery Champness, External Auditors

Mr S Phillips, Burness Paull Solicitors

**BUSINESS**

As Ian Murray was due to retire on 30 August 2019, Mr Craig Ewen formally paid tribute to and thanked Ian for his service to High Life Highland Trading Board and on behalf of the board wished him well on his retirement.

1. **Apologies for Absence**

There were no apologies for absence.

1. **Declarations of Interest**

There were no declarations of interest.

1. **Appointment of Chair and Vice Chair**

In terms of the Company’s Memorandum and Articles of Association, Mr Craig Ewen and Mr Ken Nicol’s tenure as Chair and Vice Chair had come to an end.

Having been duly proposed and seconded, Mr David Finlayson and Ms Lorraine Christie were appointed as Chair and Vice Chair respectively. Mr Finlayson thanked Mr Ewen and Mr Nicol for their contribution over the last four years.

1. **Confirmation of Minutes**

The Minutes of the Meeting of the Board of High Life Highland (Trading) CIC held on 21 March 2019 were **APPROVED.**

1. **Matters Arising – Board Meeting of 21 March 2019**

There had been circulated, for information, matters arising from the meeting of the Board held on 21 March 2019.

The Board **NOTED** the position.

1. **Finance Report**

There had been circulated Report No. HLHT4/19 dated 13 August 2019 by the Chief Executive providing Directors with an update on the overall financial performance of High Life Highland (Trading) C.I.C. for financial year 2018/19 and for the period 1 April to 30 June 2019.

The increase in gross profit in 2018/19 was a result of income from the Ben Nevis Visitor Centre car park being included, at the recommendation of the External Auditors, in the Trading Company accounts instead of the Charity’s.. In this connection, Directors were assured there were no additional liabilities for the Trading Company arising from this transfer. Turning to the 2019/20 financial performance, it was explained that the Other Costs referred to under the Facilities heading related to elements such as groceries and Performing Rights Licence charges, the latter of which had increased.

The Board:-

1. **AGREED** the Annual Report and the Audited Accounts for 2018/19 and for the period 1 April to 30 June 2019;
2. **AGREED** to authorise the Chair to sign the letter of representation contained in Appendix B of the report;
3. **NOTED** financial Statements reports a gross profit of £576k;
4. **NOTED** the payment of a charitable donation (gift aid) to the Charity of £574k for the year ended 31 March 2019;
5. **NOTED** the out-turn for the first quarter to 30 June 2019 reports a gross profit of £150k with a positive variance to budget of £4,358; and
6. **NOTED** the projected final out-turn for the year remains on target with the approved budget.
7. Commercial Manager Update

There had been circulated Report No. HLHT5/19 dated 20 August 2019 by the Chief Executive providing an update on the focus of the Commercial Manager post linked to the Charity’s Commercial Strategy.

The Head of Development reminded Directors of the Strategy’s approach, objectives, outcomes and priorities with additional information being provided on specific areas of work and actions. Further to the Finance report considered under the previous item, a summary of the figures for Quarter 1 of 2019/20 in relation to Donations, Retail, Catering and Events was provided. In future, it was suggested that these figures would sit better in context with the Finance Report itself.

During discussion, Directors made the following comments:-

* information was sought, and provided, as to the income generated from Gift Aid arising from donations;
* whilst recognising that pilot projects were underway testing various amounts, it was suggested that the “Tap to Donate” electronic donation system should start at around £1;
* when looking to generate income from the cruise industry it was important to include other ports in addition to Invergordon, Scrabster having been cited as one example;
* in relation to Ancestral Tourism, consideration should be given to involving Clan Societies;
* given the high number of European tourists, it was important to seek to take advantage of those staff with linguistic skills but noted HLH had no formal language programme in place;
* whilst catering was seen more as a service provision to customers, it was pointed out that food sales were not insignificant. By trying to increase sales even by a modest percentage, there was potential to generate additional revenue. The expertise of Directors with specific catering and retail experience would be invaluable; and
* the key commercial objectives should be included on future agendas as a reminder to the Board.

The Board:-

1. **NOTED** the report
2. **AGREED** to involve those Directors with catering and retail experience with a view to generating additional income from catering; and
3. **AGREED** the key commercial objectives be included on future Trading Board agendas.
4. Inverness Castle Project Update

The Head of Business made a presentation on the Inverness Castle Project during which she set out the vision for the project, the potential funding sources, the governance arrangements and the various project phases. In relation to the timescale it was anticipated that construction of Phase 1 would commence in 2021 with a completion date in 2023. Although concept ideas were still in the early stages, the aim was to eventually provide a visitor attraction that showcased all of the Highlands.

Directors expressed their appreciation for the amount of work which had already taken place and the contribution made by various groups. In addition, the political support for this project had been invaluable and would continue to be so as future sources of funding were investigated.

The Board **NOTED** the presentation.

**At this juncture the Board were reminded that Directors from the Main Board had been invited to join the meeting for the following to items.**

**The Board AGREED to take item 10 at this point.**

1. Annual Review of Trading Company Objectives

There had been circulated, for information, Report No. HLH18/19 dated 9 August 2019 by the Chief Executive setting out the annual review of the Objects of the Trading Board and its work in developing the Business Growth Priority Areas contained within the 2019-24 HLH Business Plan. The report was to be considered by the main Board later in the afternoon.

The Chief Executive reminded Directors of the objects of the Company as set out in its Memorandum and Articles of Association and clarifications which had since taken place. Arising from the 2019-24 HLH Business Plan Business Growth Priority Areas were agreed namely, HLH Tourism offering; Other management portfolios, Outdoor Activities; Community Partnership projects; Commercial opportunities; and Events development.

During discussion, Directors made the following comments:-

* the importance of recognising environmental sustainability was acknowledged although this fell within the remit of the Health and Safety and Environmental Compliance Committee; and
* the influence which the Highland Council could have on the commercial activities was questioned. In response, it was explained that this was considered to be unlikely but, in the event the Council was concerned about a particular activity, representations would be made in the first instance to the Main Board.

The Board **NOTED** the current Trading Company Objects and its work towards agreed Business Growth Priority Areas contained in the new HLH Business Plan for 2019-24.

1. Business Development Update

The Chief Executive gave a detailed presentation on Business Development across the Company’s business growth areas.

The Board **NOTED** the presentation.

The meeting closed at 12.45 pm.