

ISLANDS GROWTH DEAL JOINT COMMITTEE

Minute of Meeting held through Microsoft Teams on Friday, 27 February 2026 at 3.00pm.

PRESENT Ms Emma Macdonald, Shetland Islands Council (Chair)
Ms Heather Woodbridge, Orkney Islands Council (Vice-Chair)
Mr Kristopher Leask, Orkney Islands Council
Mr Dennis Leask, Shetland Islands Council
Mr Donald Crichton, Comhairle nan Eilean Siar
Mr Paul Steele, Comhairle nan Eilean Siar

OFFICERS IN ATTENDANCE Ms Kathlene Morrison, Islands Deal Programme Director
Ms Charlene Macmillan, Comhairle nan Eilean Siar
Mr David Macrae, Orkney Islands Council
Ms Elaine Mackenzie, Comhairle nan Eilean Siar
Mr Erik Knight, Orkney Islands Council
Ms Hazel Tait, Shetland Islands Council
Ms Kirsty Laing, Comhairle nan Eilean Siar
Ms Maggie Sandison, Shetland Islands Council
Mr Oliver Reid, Orkney Islands Council
Mr Tim Langley, Comhairle nan Eilean Siar

Welcome and Apologies Ms Emma Macdonald, Shetland Islands Council (Chair) welcomed attendees to the meeting, and the above apologies were noted.

MINUTE

- Minute of Meeting of 16 January 2026 1. The Minute of the Meeting of 16 January 2026 was **approved**.
- Declaration of Interest 2. There were no declarations of interest.
- Presentation – ICNZ Shetland 3. Item deferred to next meeting.

It was agreed that the public, including the press, be excluded from the Meeting during consideration of items 4 and 5 on the grounds of the amount of any expenditure proposed to be incurred by partners under any particular contract for the acquisition of property or the supply of goods or services.

- Bi-Annual Forecast 4. With reference to item 4 of the Minute of the Meeting of 27 August 2026, Ms Kathlene Morrison, Islands Deal Programme Director submitted a Report which detailed the Bi-Annual Financial Forecast for the Islands Growth Deal. It was noted that the Scottish Government require submission of a bi-annual financial forecast for the Islands Deal on 28 February and 31 August of each year. The February bi-annual forecast informs negotiation on the annual Grant Offer Letter (GOL) for the coming financial year. The GOL represents the mechanism through which year on year adjustments to the drawdown profile can be agreed with the Scottish and UK Governments, beyond that which was originally set out in the agreed Financial Plan and associated Tripartite Financial Agreement.

The Report noted that the Programme Management Office had met with all project leads to review plans and projections to ensure an informed and realistic forecast is submitted. The Appendix to the Report detailed key changes within the bi-annual forecast.

It was agreed:

- (1) to approve the 26/27 bi-annual financial forecast at Appendix 1 to the Report; and**
- (2) that any further amendments to the Bi-Annual Forecast following feedback from Scottish Government, be agreed by each Council's representative on the Islands Deal Finance Officers Group.**

Programme Reset 5.

With reference to item 7 of the Minute of the Meeting of 16 January 2026, Ms Kathlene Morrison, Islands Deal Programme Director submitted a Report which detailed the 2025/26 Islands Growth Deal Programme Reset. The Joint Committee had previously agreed to delegate approval of the resubmission of the revised final Programme Reset to the Directors of the three Island Local Authorities, and that the Programme Reset had since been submitted to the Scottish Government.

The Programme Reset detailed proposed financial amendments of the Deal. Once the proposal has been approved, changes to several projects will be implemented to allow these to progress with development and finalise Full Business Cases.

It was agreed to note the Report.

The Islands Growth Deal Joint Committee will next meet on Tuesday, 14 April 2026 at 11.00am. The meeting will be held through Microsoft Teams. The Meeting will consider a presentation in relation to the ICNZ Shetland, and the quorum for meetings as part of the planned discussion.