

**RELEASABLE INFORMATION IN RESPONSE TO YOUR FOI****Official's Call with Benny 29/08/2017****From:** Sibbald, Chris**Sent:** 29 August 2017 11:14**To:** Sibbald, Chris; Anson S (Sam); [REDACTED] Higgins, Benny (Tesco Bank)**Subject:** Benny Higgins call with Sam Anson and [REDACTED]**When:** 29 August 2017 14:00-15:00 (UTC+00:00) Dublin, Edinburgh, Lisbon, London.**Where:** Number: [REDACTED] Pin: [REDACTED]**Announcement****From:** [REDACTED]**To:** Higgins, Benny (Tesco Bank); Sibbald, Chris**Cc:** Anson S (Sam)**Subject:** SNIB - Announcement**Date:** 05 September 2017 13:49:04**Attachments:** [UKG Green Paper on Industrial Strategy - CEA response - April 2017.pdf](#)

Benny / Chris

Please see attached the draft press release from our comms team. This will link the announcement to the Terms of Reference and also the attached CEA letter in response to the UK Green Paper on Industrial Strategy which will be published today (the letter raised the issue of a "National Promotional Bank" with BEIS). A quote from you to sit alongside the one from the FM would be very helpful. She will start her PfG speech at 2:20 and we will start to get media enquiries shortly after that.

thanks

[REDACTED]

**Scottish National Investment Bank****Benny Higgins appointed to develop Bank's remit**

A Scottish National Investment Bank will be established to take a 'new approach' on capital investment, the First Minister Nicola Sturgeon announced today.

The commitment, which is part of the Programme for Government 2017-18, has been informed in part by recommendation from the Council of Economic Advisers (CEA).

The Council of Economic Advisers has made clear that adequate finance for high growth businesses and strategic investments in innovation is needed to ensure the future economic success of continued infrastructure development.

First Minister Nicola Sturgeon told MSPs:

"A significant constraint faced by many businesses with growth potential is access to long term, patient capital.

"I can therefore announce today that we will begin work to establish a Scottish National Investment Bank.

"Benny Higgins, CEO of Tesco Bank has agreed to lead work on developing the Bank's precise remit, governance, operating model and approach to managing financial risk.

"The Scottish Government has already taken steps to improve access to finance through, for example, the establishment of the Scottish Growth Scheme. However, if we are to succeed in raising our ambition, this is a challenge we must do more to address.

"We believe that the time is now right to take a new approach on capital investment."

**Background**

Link to ToR?

Link to previous published information on the SNIB?

**From:** Higgins, Benny (Tesco Bank)  
**Sent:** Sunday, 27 August 2017 17:06  
**To:** Rollison R (Richard)  
**Subject:** RE: PRIVATE/CONFIDENTIAL - Scottish National Investment Bank

Thank you Richard. I think the wording on me needs to say that I have been appointed to create the Bank. And it needs to be accompanied by a press release with a quote from me and one from the FM. But otherwise it looks good. Hope that makes sense. B

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**From:** Richard Rollison  
**Date:** 27 August 2017 at 07:15:36 BST  
**To:** Higgins, Benny (Tesco Bank)  
**Cc:** Sam Anson [DirectorofFinancialStrategy@gov.scot](mailto:DirectorofFinancialStrategy@gov.scot)  
<[DirectorofFinancialStrategy@gov.scot](mailto:DirectorofFinancialStrategy@gov.scot)>, [REDACTED]  
**Subject:** RE: PRIVATE/CONFIDENTIAL - Scottish National Investment Bank

Dear Benny

Thanks for your e-mail.

My colleagues from our Economic Policy Unit, Sam Anson and [REDACTED], are taking forward the next phase of the work though I will continue to have an interest from the point of view of access to finance for SMEs and investment in innovation and R&D.

Sam and [REDACTED] have been working up a Terms of Reference for the work for you to consider and will be in touch over the next couple of days to discuss this with you and how you would find it most useful to proceed. In the meantime, the relevant **CONFIDENTIAL** draft text from the forthcoming Programme for Government, to be published on 5 September, follows:

### ***Providing investment for growth***

*In last year's Programme we announced plans to establish a new, £500 million Scottish Growth Scheme (SGS) to support new and early-stage companies with growth potential over the next 3 years.*

*In June we announced the first tranche of the SGS which aims to stimulate over £200 million of investment to help businesses grow via the Scottish-European Growth Co-Investment Programme.*

*In August, we announced a further tranche of investment under the Scottish Growth Scheme, a £25 million expansion of the SME Holding Fund which, alongside additional private sector investment, is expected to provide over £100 million to innovative, high growth companies.*

*The Council of Economic Advisers have set out the importance to Scotland's economic growth of supporting infrastructure development, providing finance for high growth businesses, and supporting strategic investments in innovation. They recognised the scale and scope of our investment and intervention in infrastructure and business development, but also identified national promotional banks as a cornerstone of a number of European countries' approaches to support the delivery of long-term investment to support economic development*

*The Council of Economic Advisers noted several areas, including aspects of UK Government budgetary rules, which could impinge on the establishment and operation of such a bank in Scotland. In order to compete effectively, and internationally, we believe it is important Scotland has the full wealth of economic levers to secure investment in the country's future, particularly given the challenges created by Brexit to a number of funding sources.*

*We will now develop a full implementation plan for a Scottish National Investment Bank, including its remit, governance, operating model and approach to the robust management of financial risk. We will discuss the implementation plan with Scottish Parliament's Finance Committee and UK Government to ensure that it has the full necessary support to allow the Bank to operate effectively. The work to develop the implementation plan will be led by Benny Higgins, currently Chief Executive of Tesco Bank, who will bring to it more than 30 years of experience in banking and finance.*

We have kept the last para. re your own role deliberately open but **please advise over the next day or two** if you think it requires any change.

I have attached the, currently unpublished, paper on Patient Capital by the CEA referred to above and have also provided some weblinks below to some useful external policy thinking and consideration of how other countries approach the establishment and operation of National Investment Banks. I found the Deutschebank research a really good starter for 10.

Thanks again for your help with this.

Regards

Richard Rollison  
Deputy Director

## Terms of Reference



z419327\_05-09-2017\_13-24-49.pdf

Hi [REDACTED]

The FM is content with the Implementation Plan Terms of Reference and confirm FM is content for a meeting to be arranged with Benny Higgins.

I have attached a copy of the letter sent electronically to Mr Higgins for your records.

Thanks

[REDACTED]

[REDACTED]

Correspondence Secretary  
Private Office to the First Minister

From: [REDACTED]

Sent: 05 September 2017 13:40

To: First Minister

**Cc:** [REDACTED]; Anson S (Sam)

**Subject:** FW: National Investment Bank: Appointment of Benny Higgins

Hi [REDACTED]

As discussed. Please issue an electronic copy of the Letter of Appointment to (Benny Higgins) [REDACTED]. Grateful if you could also issue a hard copy signed by FM to Benny Higgins on headed notepaper. I'll supply the address later.

Can you also confirm that FM is content with the Implementation Plan Terms of Reference and confirm FM is content for a meeting to be arranged with Benny Higgins to personally discuss his role

Regards

[REDACTED]

[REDACTED]

Economic Policy Unit

**From:** [REDACTED]

**Sent:** 05 September 2017 10:13

**To:** First Minister

**Cc:** Cabinet Secretary for Finance and the Constitution; Cabinet Secretary for Economy, Jobs and Fair Work; DG Scottish Exchequer Mailbox; Gillespie G (Gary); McAllan M (Mary); Birt C (Christopher); [REDACTED]; Khan U (Uzma); Rollison R (Richard); [REDACTED] Spencer I (Ian); [REDACTED]; Maxwell S (Stewart) (Special Adviser); McAllister C (Colin); Lloyd E (Elizabeth); Communications First Minister; Communications Economy; [REDACTED]; Cabinet Secretary for the Environment, Climate Change and Land Reform; DG Economy; Director of Financial Strategy

**Subject:** FW: National Investment Bank: Appointment of Benny Higgins

[REDACTED]

As discussed. Please find attached a revised submission, amended to reflect FM's wish to omit the term commission.

Regards

[REDACTED]

[REDACTED]

Economic Policy Unit

**Attachment 1**

Sam Anson  
Economic Policy Unit  
4<sup>th</sup> September 2017

First Minister

Copy: Cabinet Secretary for Finance and the Constitution  
Cabinet Secretary for the Economy, Jobs and Fair work  
Cabinet Secretary for Environment, Climate Change and Land Reform

**National Investment Bank: Appointment of Benny Higgins**

**Purpose**

**[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]**

3. Following that discussion, I now attach separately the proposed ToR and appointment letter for your approval.

**Next Steps**

5. It is currently expected that the economy debate in Parliament on the 6<sup>th</sup> of September will be used to announce Benny Higgins as the expert from the financial services sector who will lead the work to develop the Implementation Plan for the Scottish National Investment Bank.

**[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]**

Copy List:	For Action	For Comments	For Information		
			Portfolio Interest	Constit Interest	General Awareness
Cabinet Secretary for Finance and the Constitution			X		
Cabinet Secretary for the Economy, Jobs and Fair work			X		
Cabinet Secretary for Environment, Climate Change and Land Reform					X

DG Economy  
DG Scottish Exchequer  
Gary Gillespie  
Mary McAllan  
Director of Financial Strategy  
Chris Birt  
[REDACTED]  
Uzma Khan  
Richard Rollison  
[REDACTED]  
Stewart Maxwell  
Colin McAllister  
Liz Lloyd  
Comms FM  
Comms Economy

**Attachment 2**

**National Investment Bank – Implementation Plan Terms of Reference**

**1. Background**

1. The Scottish Government and its Enterprise Agencies have invested significant resources in addressing market failures around access to early stage risk capital via the Scottish Growth Scheme and utilised European funding, through the £40m SME Holding Fund in generating responses in the areas of microfinance, debt and equity with the appointment of delivery Agents (Developing Strathclyde, Business Loan Scotland and Scottish Enterprise) that will disperse by December 2018

£250m to SMEs. The Scottish Government is also investing heavily in our infrastructure with projects valued at more than £6.4 billion in construction or estimated to start in 2017

2. Following advice from the Council of Economic Advisers, who recognised the scale and scope of Scottish Government investment and intervention in infrastructure and business development, the Government now wishes to build on the success of these schemes to establish a Scottish National Investment Bank (SNIB). This bank will become a key cornerstone of the future Scottish Economic development policy landscape.

3. To ensure that the Bank has a strong foundation with the optimum structure to support investment, the Scottish Government has requested an implementation plan be developed. The implementation plan will cover the following areas.

## **2. Evidence of Market Failure and Business Case**

- The implementation plan will be underpinned by analysis of the evidence on market failures, and appraisal of potential solutions to ensure that the Bank has the maximum impact on the Scottish Economy. In particular this should set out how displacement will be minimised and additionality maximised by the proposed approach. This should consider the potential scope of the Bank in the widest sense drawing on this to inform its view on scope.
- The plan will be based on engagement with key stakeholders in finance, the wider business community and civic Scotland to gather views on the merits of potential delivery models and approaches and their likely effectiveness in stimulating additional investment. .
- It will develop the aims and objectives for the Scottish National Investment Bank, drawing on work from the Council of Economic Advisers and elsewhere and seeking to maximise the contribution to the long-term growth of the Scottish economy. This will include whether the activities of the bank should be focused exclusively on the private sector or whether there is also scope to secure value in delivering new approaches to public sector financing.
- The final report should take a wide view of market failure and consider how this can be addressed by the Bank e.g. not just the quantum of business finance but also how the banks scope of activities, and involvement, both direct or indirect might impact on improving conditions attached to finance for both businesses and infrastructure investment..
- The final report should consider whether the bank should interact directly with business or through intermediaries. It should also consider the market for finance should it be limited to SME's, wider business or include the public sector in which case how would it complement existing sources of public finance.

## **3. Governance**

- Propose a governance model for the SNIB to ensure effective oversight and accountability in the delivery of the aims and objectives, and in particular ensure that the governance addresses the relationship with Scottish Ministers and the Scottish Parliament. Whether or not this is best delivered in the public or private sectors should be considered as part of the plan.
- Working with SG Finance, consider the implications of the proposed governance model for National Accounts classification of the SNIB and consequently any questions that would need to be addressed with UK Government about its operation within budgetary rules.
- Identify how the bank could operate within the current rules setting out what it could do and what it could not do. Make a clear case as to where any existing budgetary rules (DN set out where?) have the unintended consequence of forcing a National Investment Bank to operate in a sub-optimal manner and the advantages that could be gained from any changes.
- Consider how the SNIB would relate to existing bodies, initiatives and funding streams which support infrastructure, business investment and innovation, and if appropriate where these might be consolidated within the SNIB [and on what timetable?]

## **4. Operating Model**

- Develop a Target Operating Model for the SNIB to support recruitment of appropriately experienced staff and establishment of other aspects of the SNIB operations.

- As part of considering the Target Operating Model, set out initial principles for the SNIB to ensure robust management of financial risk.

## 5. Capitalisation

- Drawing on discussion with SG Finance, the report should propose a capitalisation plan over an appropriate number of years to allow the Bank to operate effectively.

## 6. Resourcing the development of the Implementation Plan

4. The work will be supported by a secretariat of Scottish Government Officials and Financial sector experts.

## 7. Timelines

5. Benny Higgins will report in February 2018.

## 8. Outputs

- A report setting out the recommended structure of the bank in line with the issues identified above and highlighting:
  - The evidence underpinning the implementation plan
  - The optimum governance structure and scope of bank operations
  - The operating model
  - Capitalisation
  - The regulatory timeline
  - Obstacles to delivery
  - The difference that the bank can make
- The implementation plan will also set out the business case for the bank and the relative merits of the options considered.

### Attachment 3

Rt Hon Nicola Sturgeon MSP  
First Minister of Scotland

St Andrew's House, Regent Road, Edinburgh EH1 3DG  
T: 0300 244 4000



vernment

Scottish Go  
Riaghaltas na h-Alba  
gov.scot

Benny Higgins

Dear Benny

In the Programme for Government 2017-2018 launched on 5 September 2017 I set out my ambitions and plans to shape the kind of Scotland we all seek - an inclusive, fair, prosperous, innovative country, ready and willing to embrace the future.

The Programme for Government identifies a number of actions we will take over the next year to create the best conditions and infrastructure for business to grow and expand,

particularly in key sectors. The Programme outlines our plan to begin work to create a Scottish National Investment Bank (NIB).

The National Investment Bank will provide an important resource for the Scottish economy and be a key partner for Government and Business providing patient, long term capital and supporting our overall Economic Strategy.

I am delighted that you have accepted the invitation to lead the work to develop the strategic implementation planning on which this bank will be built and offered to spend 1 day a week to make this project a success. The experience and expertise that you bring will be invaluable to developing the strategic thinking and planning which will underpin the creation of a Scottish National Investment Bank.

Between now and February I would like you to lead a team of officials and industry experts to identify

- The evidence underpinning the implementation planning
- The optimum governance structure and scope of bank operations
- The operating model
- Capitalisation
- The regulatory timeline
- Obstacles to delivery
- The difference the bank can make
- The business case to support delivery of the bank

As you will understand any information and data received around this work must be kept confidential.

You will be supported in your work by a secretariat of Scottish Government officials led by the head of our Economic Policy Unit, Sam Anson. I would be grateful if you would confirm your decision on the appointment at your earliest convenience by signing and returning the attached letter of acceptance to Sam Anson. If you have any further queries please engage directly with Sam (sam.anson@gov.scot).

I look forward to meeting you to discuss your initial thoughts on creating this plan and to reading the plan itself in due course.

**NICOLA STURGEON**

### **LETTER OF ACCEPTANCE**

I accept the First Minister's invitation dated .....to lead work to progress the 2017-18 Programme for Government (launched on 5 September) commitment to create a Scottish National Investment Bank (NIB). .

I will develop the strategic thinking and implementation planning on which this bank will be built and I commit to spend 1 day a week to make this project a success.

Between now and February I will lead a team of officials and industry experts to identify

- The evidence underpinning the implementation planning

- The optimum governance structure and scope of bank operations
- The operating model
- Capitalisation
- The regulatory timeline
- Obstacles to delivery
- The difference the bank can make
- The business case to support delivery of the bank

I agree that all information and data received around this work will be kept confidential.

I confirm I accept the First Minister’s invitation to lead the strategic implementation planning to create a Scottish National Investment Bank

Signed

Date

.....  
 .....

Print Name

.....

**Officials Meeting with Benny 01/09/2017**

**From:** [REDACTED]  
**Sent:** 01 September 2017 17:32  
**To:** DG Economy; Anson S (Sam[REDACTED])  
**Subject:** SNIB - BH meeting readout

I have jotted down the notes I took from the meeting this afternoon – with a couple of actions. Let me know if missed anything or you read things differently.

Thanks  
 [REDACTED]

**Attachment 1**

**NATIONAL INVESTMENT BANK – MEETING WITH BENNY HIGGINS – 1 SEPTEMBER 2017**

**Project scope and process**

- BH remains enthused about project and has informed colleagues at Tesco Bank of his commitment.
- Timings – four working months (with a month over xmas not included).

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

**Lines on the Bank 06/09/2017**

**From:** Cabinet Secretary for Economy, Jobs and Fair Work

**Sent:** 06 September 2017 18:43

**To:** [REDACTED] Cabinet Secretary for Finance and the Constitution

**Cc:** Rollison R (Richard); Anson S (Sam)[REDACTED] Gil O (Oonagh); [REDACTED]; Director of Financial Strategy; McAllan M (Mary); Gilfillan A (Alison); Communications Economy; Maxwell S (Stewart) (Special Adviser); [REDACTED]; Nicolson S (Stuart) Special Adviser; Lloyd E (Elizabeth); [REDACTED]; Communications Economy; [REDACTED]

**Subject:** Re: LINES TO CLEAR :: The Courier :: SNIB / SE

[REDACTED]

Thanks for this.

**[Redacted under S.30(a)(i) Free and Frank Exchange of Views.]**

Thanks

[REDACTED]

Private Office for Keith Brown MSP, Cabinet Secretary for Economy, Jobs and Fair Work

**From:** [REDACTED]

**Sent:** Wednesday, 6 September 2017 18:29

**To:** Cabinet Secretary for Finance and the Constitution; Cabinet Secretary for Economy, Jobs and Fair Work

**Cc:** Rollison R (Richard); Anson S (Sam); [REDACTED] Gil O (Oonagh); [REDACTED]; Director of Financial Strategy; McAllan M (Mary); [REDACTED]; Communications Economy; Maxwell S (Stewart) (Special Adviser); [REDACTED]; Nicolson S (Stuart) Special Adviser; Lloyd E (Elizabeth);

[REDACTED]; Communications Economy; [REDACTED]

**Subject:** RE: LINES TO CLEAR :: The Courier :: SNIB / SE

Thanks [REDACTED],

[REDACTED]/PO – grateful if you could please put this to Mr Brown for consideration.

Copying [REDACTED] who is on duty this evening: once cleared, please can this be sent to [REDACTED]

on: [REDACTED]

Ta,

[REDACTED]

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**From:** [REDACTED] On Behalf Of Cabinet Secretary for Finance and the Constitution

**Sent:** 06 September 2017 18:03

**To:** [REDACTED] Cabinet Secretary for Finance and the Constitution; Cabinet Secretary for Economy, Jobs and Fair Work

**Cc:** Rollison R (Richard); Anson S (Sam); [REDACTED]; Gil O (Oonagh); [REDACTED]; Director of Financial Strategy; McAllan M (Mary); Gilfillan A (Alison); Communications Economy; Maxwell S (Stewart) (Special Adviser); [REDACTED]; Nicolson S (Stuart) Special Adviser; Lloyd E (Elizabeth);

[REDACTED]; Communications Economy

**Subject:** RE: LINES TO CLEAR :: The Courier :: SNIB / SE

[REDACTED]

Mr Mackay has requested that Mr Brown clears this given the policy area it is covering.

Thank you

[REDACTED]

Private Secretary to Derek Mackay MSP, Cabinet Secretary for Finance and the Constitution

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**From:** [REDACTED]

**Sent:** 06 September 2017 17:27

**To:** Cabinet Secretary for Finance and the Constitution

**Cc:** Rollison R (Richard); Anson S (Sam); [REDACTED]; Gil O (Oonagh); [REDACTED]; Director of Financial Strategy; McAllan M (Mary); [REDACTED]; Communications Economy; Maxwell S (Stewart) (Special Adviser); [REDACTED]; Nicolson S (Stuart) Special Adviser; Lloyd E (Elizabeth);

[REDACTED]; Communications Economy

**Subject:** LINES TO CLEAR :: The Courier :: SNIB / SE

Cab Sec PO,

Alex Bell is writing a column for the Courier on the Scottish National Investment Bank and has asked two specific questions.

Comms propose answering the two questions straight, as below. This has also been cleared by policy and spads.

[REDACTED] has also approached Scottish Enterprise, whose response is below for awareness.

Grateful for Mr Mackay's clearance as soon as possible, please.

Thank you,

[REDACTED]

### **SG Answers**

#### **1) Will Benny Higgins' review include the future of Scottish Enterprise – so could there be a single agency for investment?**

This is not a review of Scottish Enterprise. The Terms of Reference

(<https://beta.gov.scot/publications/national-investment-bank-implementation-plan-terms-of-reference/>)

state: "It will develop the aims and objectives for the Scottish National Investment Bank, drawing on work from the Council of Economic Advisers and elsewhere and seeking to maximise the contribution to the long-term growth of the Scottish economy. This will include whether the activities of the bank should be focused exclusively on the private sector or whether there is also scope to secure value in delivering new approaches to public sector financing"

#### **2) Is there not already an investment bank as part of Scottish Enterprise? And if there is, is it not doing a good job?**

Scottish Enterprise operate a range of co-investment equity funds targeted at SME's – the Scottish Investment Bank. The work that Mr Higgins is doing is to understand the opportunities that a much larger Scottish National Investment Bank would bring to the Scottish Economy. The Scottish Investment Bank provides early stage equity risk capital but the terms of reference for the Scottish National Investment Bank Implementation Plan are much wider.

### **SE Response**

#### **A spokesperson for Scottish Enterprise said:**

"Scottish Enterprise welcomes the priority afforded to Patient Capital in the 2017-18 Programme for Government. We have a strong record of supporting Scottish companies to access growth finance, and through our innovative co-investment model delivered in partnership with private sector investors, we are contributing to growing a strong risk capital market in Scotland, and increasing the availability of patient capital.

"We look forward to working with Benny Higgins, CEO of Tesco Bank who has agreed to lead work on developing the Bank's precise remit, governance, operating model and its approach to managing financial risk."

## **Officials Call with Benny 08/09/2017**

**From:** DG Economy

**Sent:** 07 September 2017 14:33

**To:** DG Economy; Anson S (Sam); [REDACTED]

**Subject:** Conference call with Benny Higgins, Tesco Bank

**When:** 08 September 2017 11:00-11:30 (UTC+00:00) Dublin, Edinburgh, Lisbon, London.

**Where:** Liz to use Leader PIN

**[Redacted under S.30(a)(i) Free and Frank Exchange of Views.]**

## **Project Steering Group 19/09/2017**

### **Attachment 1**

#### **National Investment Bank - Project Board Meeting 19/09/2017**

Apologies: Peter Reekie and Paul Lewis

#### **Governance**

**[Redacted under S.30(a)(i) Free and Frank Exchange of Views.]**

- Initial feeling is that this group will meet weekly at first, reducing to fortnightly thereafter if required.

#### **[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

**From:** Sam Anson

**Sent:** 15 September 2017 19:24

**To:** Higgins, Benny (Tesco Bank) Sibbald, Chris

**Subject:** Fw: Papers for Scottish National Investment Bank Steering Group

Benny / Chris,

For info, please see the email below and associated attachments.

I want to make sure that you have the full strength of the Scottish Government available to you to assist with taking forward this work, and have therefore suggested that a group of senior colleagues convene as an internal steering group to ensure that the secretariat has the required level of support and oversight. I hope this doesn't seem presumptuous; it is intended as an early risk mitigation measure to help us all to pull in the same direction.

One such example would be to ensure colleagues are appropriately informed and sighted to assist with the drafting of advice to Ministers (I think special advisers are already looking for us to provide them with an informal update fairly shortly).

What we've tried to do in these papers is outline the existing status and / or next steps as best as we currently understand them. I must stress that nothing in these is intended to be definitive, and there is much in here that we acknowledge we need to discuss with you before progressing any further. I'm forwarding these now so you have sight of our understanding and to help with said discussions.

On which note, I think it would be good if we could look for a slot to meet again next week. I'm highly conscious of compressed timescales, especially at this initial stage of the project, and I'd like to check that we're all working off precisely the same page

and you are receiving the support you need. Very happy to come to you if that would be easiest.

Have a great weekend in the meantime,

Sam

**Call between Keith Brown and Benny Higgins 20/09/2017 and Meeting 21/09/2017**

**From:** [REDACTED]

**Sent:** 20 September 2017 13:08

**To:** Cabinet Secretary for Economy, Jobs and Fair Work

**Cc:** Cabinet Secretary for Finance and the Constitution; Ditchburn L (Liz); Anson S (Sam); [REDACTED]; McAllan M (Mary); Rollison R (Richard); [REDACTED]; Maxwell S (Stewart) (Special Adviser); Lloyd E (Elizabeth); Cabinet Secretary for Finance and the Constitution; [REDACTED]; Stafford A (Alyson); Wales G (Gordon); Emberson E (Eleanor); Gillespie G (Gary); Khan U (Uzma); Birt C (Christopher); [REDACTED]

**Subject:** Briefing- Benny Higgins Meeting - 21 September - Immediate

**Importance:** High

Cabinet Secretary for Economy, Jobs and Fair Work

cc : As above

Please find attached briefing to support your meeting with Benny Higgins on Thursday 21 September to discuss implementation planning for the Scottish National Investment Bank.

Regards

[REDACTED]

Attachment 1

**MINISTERIAL ENGAGEMENT BRIEFING: KEITH BROWN**

Copied to: Cabinet Secretary for Finance and the Constitution, Liz Ditchburn, Sam Anson, [REDACTED], Mary McAllan, Richard Rollison, [REDACTED], Stewart Maxwell, Liz Lloyd, Alyson Stafford, Gordon Wales, Eleanor Emberson, Gary Gillespie, Uzma Khan, Christopher Birt, [REDACTED]

<i>Engagement Title</i>	Scottish National Investment Bank meeting with Benny Higgins
<i>Timing</i>	Immediate
<i>Organisation/Venue and full address including postcode</i>	Room T4:03 Scottish Parliament
<i>Date and Time of Engagement</i>	Date(s): 21 September Time(s): 16.30-17.15
<i>Background/Purpose</i>	Purpose/Invitation History: Benny Higgins, the retiring CEO of Tesco Bank has accepted an invitation from FM to lead in developing an implementation plan to create a Scottish National Investment Bank.
<i>Relevance to Core Script</i>	Providing Investment for Growth
<i>Summary Page (key issues, lines to take if pressed and issues to avoid)</i>	<a href="#">Annex A – Summary Page</a> <a href="#">Annex B – Background / Terms of Reference</a> <a href="#">Annex C – Case for a Scottish National Investment Bank</a> <a href="#">Annex D - Capitalisation</a> <a href="#">Annex E – Learning from Previous Policy Development</a> <a href="#">Annex F – Project Board and Resourcing</a>
<i>Official Support</i>	Official :  Liz Ditchburn – [REDACTED] Sam Anson – [REDACTED]

## **SUMMARY PAGE**

**[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]**

## **BACKGROUND**

### **PROGRAMME FOR GOVERNMENT**

Following advice from the Council of Economic Advisers who recognised the scale and scope of Scottish Government investment and intervention in infrastructure and business development the Government now wishes to build on the success of these schemes and establish a Scottish National Investment Bank (SNIB).

In the Programme for Government 17-18 The FM announced that we will now develop a full implementation plan for a Scottish National Investment Bank , including its remit, governance, operating model and approach to the robust management of financial risk. We will discuss the implementation plan with Scottish Parliament's Finance Committee and UK Government to ensure that it has the full necessary support to allow the bank to operate effectively.

Benny Higgins, the retiring CEO of Tesco Bank has agreed to lead work on developing the bank's precise remit, governance, operating model and its approach to managing financial risk - vital steps that will see this new bank up and running and providing the patient capital investment that the Scottish economy needs for the future.

### **TERMS OF REFERENCE**

A Terms of Reference was published alongside the announcement that Benny would lead this work. As well as stating that the work will report in February 2018, it listed the outputs as follows:

- A report setting out the recommended structure of the bank in line with the issues identified above and highlighting:
  - the evidence underpinning the implementation plan
  - the optimum governance structure and scope of bank operations
  - the operating model
  - capitalisation
  - the regulatory timeline
  - obstacles to delivery
  - the difference that the bank can make
- The implementation plan will also set out the business case for the bank and the relative merits of the options considered.

**ANNEX C**

**THE COUNCIL OF ECONOMIC ADVISERS (CEA) –  
CASE FOR A SCOTTISH NATIONAL INVESTMENT BANK**

[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]

**ANNEX D**

[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]

**ANNEX E**

**LEARNING FROM PREVIOUS POLICY DEVELOPMENT**

[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]

**ANNEX F**

**PROJECT BOARD AND RESOURCING**

[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]

**From:** [REDACTED] On Behalf Of [DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot)

**Sent:** 19 September 2017 16:26

**To:** [REDACTED] (Tesco Bank); Sibbald, Chris

**Cc:** [DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot)

**Subject:** RE: Keith Brown meeting with Benny Higgins

[REDACTED]/Chris

Following on from our conversations just to confirm that tomorrow's call is cancelled and that Benny will come to Parliament on Thursday for a meeting with Mr Brown and Liz at 16:30.

Please contact me if you require any further information.

Best regards

[REDACTED]

[REDACTED]

**Private Secretary to Director General, Economy**

**From:** [REDACTED]

**Sent:** 19 September 2017 15:16

**To:** Anson S (Sam)

**Subject:** Benny Higgins

Sam

Benny Higgins is now going to be in Edinburgh on Thursday so tomorrow's call is cancelled. Face to face at 16:30 on Thursday in Parliament. Calendar corrections to follow from KB's Office.

[REDACTED]

[REDACTED]

**Private Secretary to Director General, Economy**

**From:** Cabinet Secretary for Economy, Jobs and Fair Work  
**Sent:** Wed 20/09/2017 14:35  
**To:** Brown KJ (Keith), MSP; DG Economy; Anson S (Sam);  
**Subject:** Call with Benny Higgins  
**When:** 20 September 2017 14:00-14:45  
**Where:** PO to Connect

**From:** [DGEconomy@gov.scot](mailto:DGEconomy@gov.scot) <[DGEconomy@gov.scot](mailto:DGEconomy@gov.scot)>  
**Date:** 19 September 2017 at 10:33:13 WEST  
**To:** [REDACTED] (Tesco Bank)  
**Cc:** [DGEconomy@gov.scot](mailto:DGEconomy@gov.scot) <[DGEconomy@gov.scot](mailto:DGEconomy@gov.scot)>  
**Subject:** RE: Keith Brown meeting with Benny Higgins

Hi [REDACTED]

Mr Brown is holding 15:30 and after tomorrow's call they will take a decision on whether this should proceed.

[REDACTED]

**From:** [REDACTED] (Tesco Bank) [REDACTED]  
**Sent:** 18 September 2017 18:28  
**To:** DG Economy  
**Subject:** RE: Keith Brown meeting with Benny Higgins

Hi

Can I just check we are going with

21<sup>st</sup> – 2pm call and you will pop a dial in through to me  
27<sup>th</sup> – 1530 or was 1730 confirmed

Ta

[REDACTED]

**PA to Benny Higgins, CEO Tesco Bank & Group Strategy Director**

**From:** [REDACTED] On Behalf Of [DGEconomy@gov.scot](mailto:DGEconomy@gov.scot)  
**Sent:** 18 September 2017 14:42  
**To:** [REDACTED] (Tesco Bank)  
**Cc:** [DGEconomy@gov.scot](mailto:DGEconomy@gov.scot)  
**Subject:** RE: Keith Brown meeting with Benny Higgins

[REDACTED]

Mr Brown's Office have come back – a 45 minute call at 14:00 on Wednesday. We'll let you know the dial in details tomorrow.

Thanks

[REDACTED]

**From:** [REDACTED] **On Behalf Of** Cabinet Secretary for Economy, Jobs and Fair Work  
**Sent:** 19 September 2017 09:02  
**To:** DG Economy; Cabinet Secretary for Economy, Jobs and Fair Work; [REDACTED]  
**Subject:** RE: Keith Brown meeting with Benny Higgins

Hi [REDACTED],

Please find dial in details for the call tomorrow at 14:00

[REDACTED]

Many thanks

[REDACTED]

**From:** Cabinet Secretary for Economy, Jobs and Fair Work  
**Sent:** 18 September 2017 14:33  
**To:** DG Economy  
**Cc:** Anson S (Sam); DG Economy  
**Subject:** Re: Keith Brown meeting with Benny Higgins

Could a 45 min call at 2pm?

[REDACTED]

Private Office for Keith Brown MSP, Cabinet Secretary for Economy, Jobs and Fair Work

**From:** DG Economy  
**Sent:** Monday, 18 September 2017 14:30  
**To:** Cabinet Secretary for Economy, Jobs and Fair Work  
**Cc:** Anson S (Sam); DG Economy  
**Subject:** FW: Keith Brown meeting with Benny Higgins

[REDACTED]

To see about engagement with Benny Higgins. We are going to have to go with the idea of a call this week and a meeting next week. Would between 14:00 and 15:30 or 18:00 on Wednesday work for Mr Brown?

[REDACTED]

[REDACTED]  
**Private Secretary to Director General,  
Economy**

**From:** [REDACTED] On Behalf Of DG Economy  
**Sent:** 18 September 2017 14:28  
**To:** [REDACTED] (Tesco Bank)  
**Cc:** DG Economy  
**Subject:** RE: Keith Brown meeting with Benny Higgins

Thanks [REDACTED]. I'll come back to you in the morning when I speak to Keith Brown's Office.

[REDACTED]

**From:** [REDACTED] (Tesco Bank)  
**Sent:** 18 September 2017 13:57  
**To:** DG Economy  
**Cc:** DG Economy  
**Subject:** RE: Keith Brown meeting with Benny Higgins

Hi  
He could do a call between 1400 1530 or 1800 if helps. Thx. Fi

[REDACTED]  
PA to Benny Higgins, CEO Tesco Bank

**From:** [DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot) <[DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot)>  
**Date:** 18 September 2017 at 13:35:36 WEST  
**To:** [REDACTED] (Tesco Bank)  
**Cc:** [DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot) <[DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot)>  
**Subject:** RE: Keith Brown meeting with Benny Higgins  
[REDACTED]

It was a call on Wednesday I was thinking of.

[REDACTED]

**From:** [REDACTED] (Tesco Bank)  
**Sent:** 18 September 2017 13:23  
**To:** DG Economy  
**Subject:** RE: Keith Brown meeting with Benny Higgins

Hi just to check is it

1745 on Thursday for a call

1730 or 45 on the Wednesday for the face to face meeting?

If you send meeting planner to [REDACTED]

Thx.  
[REDACTED]

[REDACTED]

PA to Benny Higgins, CEO Tesco Bank

---

**From:** [DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot) <[DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot)>

**Date:** 18 September 2017 at 13:13:01 WEST

**To:** [REDACTED] (Tesco Bank)

**Cc:** [DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot) <[DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot)>

**Subject:** RE: Keith Brown meeting with Benny Higgins

[REDACTED]

Would the same-ish time on Wednesday work for Benny? This would work better from our side.

Thanks

[REDACTED]

[REDACTED]

**Private Secretary to Director General, Economy**

**From:** [REDACTED] On Behalf Of DG Economy

**Sent:** 18 September 2017 11:27

**To:** [REDACTED] (Tesco Bank)

**Cc:** DG Economy

**Subject:** RE: Keith Brown meeting with Benny Higgins

That sounds like a decent compromise. I'll check with Mr Brown's office and come back to you. It might be tomorrow as it is the Edinburgh holiday today. For sending the call details what e-mail address will I send the calendar invite to?

[REDACTED]

**From:** [REDACTED] (Tesco Bank)

**Sent:** 18 September 2017 11:20

**To:** DG Economy

**Subject:** RE: Keith Brown meeting with Benny Higgins

He has a 1700 what if we went for 1745?

Thx

[REDACTED]

[REDACTED]

**PA to Benny Higgins, CEO Tesco Bank & Group Strategy Director**

**From:** [REDACTED] On Behalf Of [DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot)

**Sent:** 18 September 2017 11:12

**To:** [REDACTED] (Tesco Bank)

**Subject:** RE: Keith Brown meeting with Benny Higgins

Hi [REDACTED]

Would 17:30 work for the call?

Thanks

[REDACTED]

**From:** [REDACTED] (Tesco Bank)  
**Sent:** 18 September 2017 11:03  
**To:** DG Economy  
**Subject:** Re: Keith Brown meeting with Benny Higgins

Hi

Could we go for a call at 1800 on Thursday and then a meeting face to face in Edinburgh 1530 onwards on the Wednesday 27th.

Thx.

[REDACTED]

[REDACTED]

PA to Benny Higgins, CEO Tesco Bank

**From:** [DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot) <[DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot)>  
**Date:** 18 September 2017 at 10:26:28 WEST  
**To:** [REDACTED] (Tesco Bank)  
**Cc:** [DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot) <[DGEEconomy@gov.scot](mailto:DGEEconomy@gov.scot)>, [CabSecEJFW@gov.scot](mailto:CabSecEJFW@gov.scot) <[CabSecEJFW@gov.scot](mailto:CabSecEJFW@gov.scot)>  
**Subject:** RE: Keith Brown meeting with Benny Higgins

Hi [REDACTED]

Thank you for coming back to me. Would it be possible to have an initial conference call with Benny on Thursday, with a meeting in Edinburgh next Wednesday?

Thanks

[REDACTED]

[REDACTED]

**Private Secretary to Director General, Economy**

**From:** [REDACTED] (Tesco Bank)  
**Sent:** 18 September 2017 08:44  
**To:** DG Economy  
**Subject:** RE: Keith Brown meeting with Benny Higgins

Hi [REDACTED]

I wondered if I could check if Monday 25<sup>th</sup> in the morning could be an option for Keith's diary  
Thanks

[REDACTED]

[REDACTED]

PA to Benny Higgins, CEO Tesco Bank & Group Strategy Director

**From:** [REDACTED] On Behalf Of [DGEconomy@gov.scot](mailto:DGEconomy@gov.scot)

**Sent:** 14 September 2017 12:22

**To:** [REDACTED] (Tesco Bank)

**Cc:** [DGEconomy@gov.scot](mailto:DGEconomy@gov.scot)

**Subject:** Keith Brown meeting with Benny Higgins

Hi [REDACTED]

As discussed Mr Brown would be keen to meet with Benny next week to discuss the National Investment Bank plans. When we spoke you mentioned that Benny is in London next week which makes Tuesday to Thursday difficult. From speaking to his office I know that Friday will be difficult for Mr Brown. Is there any way that Benny could be in Edinburgh for a meeting next Thursday at say 17:15 or 17:30?

Thanks

[REDACTED]

[REDACTED]

**Private Secretary to Director General, Economy**

**From:** Sibbald, Chris

**Sent:** 19 September 2017 09:59

**To:** 'Sibbald, Chris'; Higgins, Benny (Tesco Bank); Anson S (Sam)

**Subject:** Benny and Keith Brown meeting

**When:** 21 September 2017 16:30-17:15 (UTC+00:00) Dublin, Edinburgh, Lisbon, London.

**Where:** Scottish Parliament

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

**Meeting with Benny and Officials 22/09/2017**

**From:** Sibbald, Chris

**Sent:** 21 September 2017 19:47

**To:** Sibbald, Chris; Anson S (Sam); Higgins, Benny (Tesco Bank)

**Cc:** [REDACTED] (Tesco Bank)

**Subject:** HOLD: Benny breakfast with Sam Anson

**When:** 22 September 2017 08:00-09:00 (UTC+00:00) Dublin, Edinburgh, Lisbon, London.

**Where:** Tesco Bank

**Advisory Group Meeting 22/09/2017**

**From:** Sibbald, Chris

**Sent:** 21 September 2017 19:47

**To:** Sibbald, Chris; Higgins, Benny (Tesco Bank); Anson S (Sam); Peter Reekie

**Cc:** [REDACTED] (Tesco Bank)

**Subject:** Advisory Group Meeting  
**When:** 22 September 2017 09:00-11:00 (UTC+00:00) Dublin, Edinburgh, Lisbon, London.  
**Where:** Boardroom, Tesco Bank, South Gyle Crescent

### **Project Team/Advisory Group Introduction**

**From:** [REDACTED]  
**Sent:** 08 September 2017 14:48  
**To:** Higgins, Benny (Tesco Bank); [REDACTED]; Sibbald, Chris  
**Cc:** Anson S (Sam)  
**Subject:** RE: Official Sensitive - Presentation by Marianna to the Council of Economic Advisers on Investment Bank



Beyond market failures.pdf

Hi Benny, Chris,

It was good to meet you both yesterday. The main points from the meeting with [REDACTED] seemed to be that she is personally very happy to be involved in any way possible. [Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]

Regards,  
[REDACTED]

**From:** Sam Anson  
**Sent:** Friday, September 22, 2017 03:33 PM GMT Standard Time  
**To:** Benny Higgins  
**Cc:** Paul Lewis; Kerry Sharp; Chris Sibbald; [REDACTED]  
**Subject:** National Investment Bank

Benny,

We discussed earlier that it would be useful for you to have a chat with Paul Lewis. Paul is Managing Director of SDI and Scottish Enterprise International Operations, and the SIB also sits under his remit. I've copied both him and Kerry Sharp – Head of SIB – into this email so you have their contact details. Happy to be involved in any discussions where helpful.

Regards,  
Sam

**Sam Anson**

From: Sibbald, Chris  
To: [REDACTED]  
Cc: Anson S (Sam); [REDACTED]  
Subject: RE: PM job description

Date: 13 September 2017 18:20:28

[REDACTED],

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

Very best,  
Chris.

**First Minister Meeting 27/09/2017**

**From:** [REDACTED]  
**Sent:** 06 September 2017 10:29  
**To:** [REDACTED] (Tesco Bank); Anson S (Sam); Gillespie G (Gary); [REDACTED]  
**Cc:** [REDACTED]; Khan U (Uzma); Sibbald, Chris  
**Subject:** RE: Private/Confidential: SNIB

Hi [REDACTED]

If you can liaise with Patrick Crolla, First Minister's Diary Secretary [REDACTED]  
Regards  
[REDACTED]

[REDACTED]  
Economic Policy Unit

**From:** [REDACTED] (Tesco Bank)  
**Sent:** 06 September 2017 10:21  
**To:** Anson S (Sam); Gillespie G (Gary); [REDACTED]  
**Cc:** [REDACTED]; Khan U (Uzma); Sibbald, Chris; [REDACTED] (Tesco Bank)  
**Subject:** RE: Private/Confidential: SNIB

Good morning  
Please let me know if you wish me to liaise with anyone in particular with regard to the meeting between Benny and the FM  
Kind regards

[REDACTED]

[REDACTED]  
**PA to Benny Higgins, CEO Tesco Bank & Group Strategy Director**

**From:** Sibbald, Chris  
**Sent:** 05 September 2017 17:36  
**To:** Sam Anson ; Gary Gillespie ; [REDACTED]  
**Cc:** [REDACTED]; Uzma Kahn ; [REDACTED] (Tesco Bank)  
**Subject:** RE: Private/Confidential: SNIB

I completely understand. A big day for you; hope it goes well across all fronts.

I will defer to [REDACTED] (copied) for arranging meeting with Benny and the FM.

Very best,

[REDACTED].

**From:** Sam Anson  
**Sent:** 05 September 2017 17:20  
**To:** Sibbald, Chris; Gary Gillespie [REDACTED]  
**Cc:** [REDACTED]; Uzma Kahn  
**Subject:** RE: Private/Confidential: SNIB

[REDACTED],

I see there has been a lot of back and forth between you and ourselves today – it won't always be so scattergun, but today is something of an exception in the annual policy cycle.

On your last point here, we should absolutely sort another meeting with Benny when he returns from Asia. To maintain momentum, and as a starter, can I suggest Tues 19<sup>th</sup> (am) or Wednesday 20<sup>th</sup> (am)?

We've asked the FM's office to identify a meeting slot with [REDACTED] that works for both Benny and the FM – if you've not heard re that yet, you should do soon.

Sam

**From:** Sibbald, Chris  
**Sent:** 05 September 2017 11:11  
**To:** Gillespie G (Gary); Anson S (Sam); [REDACTED]  
**Cc:** [REDACTED]; Khan U (Uzma)  
**Subject:** RE: Private/Confidential: SNIB

Thanks Gary.

It would be good to get all of these names down in a meeting. He wanted to act [REDACTED] given Liz and Sam's advice last Friday and being pressed for time as he's in Asia all of next week.

Sam, I'll take your steer, but would it be worthwhile getting another meeting sorted for when Benny is back from Asia? I know you are keen for him to meet with FM/DFM as well.

Chris.

**From:** Gary Gillespie  
**Sent:** 05 September 2017 10:35  
**To:** Sibbald, Chris; Sam Anson; [REDACTED]  
**Cc:** [REDACTED]; Uzma Kahn  
**Subject:** RE: Private/Confidential: SNIB

[REDACTED]

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

Gary

**From:** Sibbald, Chris  
**Sent:** 05 September 2017 10:30  
**To:** Gillespie G (Gary); Anson S (Sam); [REDACTED]  
**Cc:** [REDACTED]; Khan U (Uzma)  
**Subject:** RE: Private/Confidential: SNIB

Thanks Gary. Things are moving quickly; I gather from [REDACTED] that Benny and [REDACTED] are having a cup of tea in London on Thursday. She is not aware of the context of the meeting. I will be with Benny all day on Thursday, so I can speak to you following the meeting? They haven't met before so I wouldn't assume anything other than general formalities.

Very best,

Chris.

**From:** Gary Gillespie;  
**Sent:** 05 September 2017 09:52  
**To:** Sam Anson; Sibbald, Chris; [REDACTED]  
**Cc:** [REDACTED]; Uzma Khan  
**Subject:** RE: Private/Confidential: SNIB

All

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

[REDACTED] and can be contacted at this email [REDACTED]

Can you copy me into any contact with [REDACTED]

Gary

**From:** Anson S (Sam)  
**Sent:** 04 September 2017 18:06  
**To:** Sibbald, Chris; [REDACTED]  
**Cc:** Gillespie G (Gary)  
**Subject:** RE: Private/Confidential: SNIB

Thanks Chris.

We'll have a draft press release with you tomorrow.

Sam

**From:** Sibbald, Chris]  
**Sent:** 04 September 2017 18:04

**To:** Anson S (Sam); [REDACTED]  
**Cc:** Gillespie G (Gary)  
**Subject:** RE: Private/Confidential: SNIB

Thanks, that's very helpful. Are you still planning to send a press release on the Wednesday with quote from Benny? As Benny mentioned on Friday, this is the one part he is particularly keen to see.

Contact to [REDACTED] was simply to arrange a time to meet with no context given; completely understand the need for confidence.

Very best,

Chris.

**From:** Sam Anson  
**Sent:** 04 September 2017 17:42  
**To:** Sibbald, Chris; [REDACTED]  
**Cc:** Gary Gillespie  
**Subject:** RE: Private/Confidential: SNIB

I'm in London on occasion only, but happy to make myself available where possible (if it was this Thursday it would depend on timings, but a colleague could attend otherwise).

Status update as follows:

- PfG will be published tomorrow with no names as discussed. The FM's speech in Parliament is likely to refer to "an expert from the financial services sector".
- On Wednesday both the Cab Sec for ECCLR and Cab Sec EJFW are scheduled to refer to Benny in person during their speeches to Parliament. We will also look to contact FISAB members at the same time to ensure that they know about the announcement.

I have a proposed ToR and letter of appointment for sign-off with the FM at present. We should see a response tomorrow.

If you do make contact with [REDACTED] please could you ensure that this is in strictest confidence for the next 48 hours?

Thanks,

Sam

**From:** Sibbald, Chris  
**Sent:** 04 September 2017 17:35  
**To:** Anson S (Sam); [REDACTED]  
**Cc:** Gillespie G (Gary)  
**Subject:** RE: Private/Confidential: SNIB

Hi Sam,

Thanks, I actually managed to source. I'll let you know when the meeting is but I suspect it will be in London given her location. Are you down often?

Are you able to give me status update just so I can let Benny know, re: tomorrow/Wednesday.

Very best,

Chris.

**From:** Sam Anson  
**Sent:** 04 September 2017 17:33  
**To:** Sibbald, Chris; [REDACTED]  
**Cc:** Gary Gillespie  
**Subject:** RE: Private/Confidential: SNIB

Chris,

Good to speak on Friday.

[REDACTED]. I can ask Gary Gillespie, the Scottish Government's Chief Economist, to make that introduction if that would help. I've copied him here for info.

Sam

[REDACTED] it would be good if myself or a SG colleague could join Benny for that discussion

**From:** Sibbald, Chris  
**Sent:** 04 September 2017 09:20  
**To:** [REDACTED] Anson S (Sam)  
**Subject:** Private/Confidential: SNIB

Hi Sam, [REDACTED]

Hope you both had an enjoyable weekend; thanks again for your time on Friday. Let me know how your conversations progress today; as mentioned on Friday, if Wednesday was to become announcement day, Benny is in Edinburgh and available.

I wonder if you could also give me an e-mail address for [REDACTED]? While relatively short notice, Benny is hoping that she may be available for a coffee on Thursday.

Very best,

Chris.

--

Chris Sibbald

**From:** [REDACTED]  
**Sent:** 05 September 2017 14:21  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: SNIB - Announcement

Hi Chris

Can you also supply a contact name and number for FM's office to liaise with to organise a meeting between FM and Benny Higgins.

Regards

[REDACTED]

[REDACTED]

**From:** [REDACTED]

**Sent:** 05 September 2017 13:32

**To:** Sibbald, Chris

**Cc:** [REDACTED] Anson S (Sam)

**Subject:** RE: SNIB - Announcement

Chris

An electronic version of Benny's appointment letter and ToR should come through to Benny soon but FM's office are looking for an address to send the formal (physical) letter of appointment and ToR to.

What address should they use for Benny?

thanks

[REDACTED]

**From:** Sibbald, Chris

**Sent:** 05 September 2017 12:17

**To:** Anson S (Sam); Higgins, Benny (Tesco Bank)

**Cc:** [REDACTED]

**Subject:** Re: SNIB - Announcement

Hi Sam

I appreciate you are probably spinning multiple plates today, but just wondering on press release and timings? Do you want quote from Benny?

Conscious I may well get contacted this afternoon after FM speaks.

Very best,

Chris.

Sam Anson

**Date:** 4 September 2017 at 21:39:12 BST

**To:** Sibbald, Chris Higgins, Benny (Tesco Bank)

**Cc:** [REDACTED]

**Subject:** SNIB - Announcement

Benny / Chris,

I've just been told that the First Minister would like to announce Benny's appointment in her own speech in Parliament tomorrow. The draft text is currently as set out below.

Communications colleagues will finish the associated press release first thing in the morning and we'll get it over to you for your views.

The formal / final terms of reference and letter of appointment may need to follow shortly afterwards unless I also get those back from the FM overnight.

Hope that's ok,

Sam

"I can therefore announce today that we will begin work to establish a Scottish National Investment Bank.

Benny Higgins, CEO of Tesco Bank has agreed to lead work on developing the Bank's precise remit, governance, operating model and approach to managing financial risk"

**From:** [REDACTED]

**Sent:** 21 September 2017 16:15

**To:** First Minister

**Cc:** Cabinet Secretary for Economy, Jobs and Fair Work; Cabinet Secretary for Finance and the Constitution; DG Economy; Anson S (Sam); [REDACTED]; McAllan M (Mary); Rollison R (Richard); [REDACTED]; Maxwell S (Stewart) (Special Adviser); Lloyd E (Elizabeth); Stafford A (Alyson); Wales G (Gordon); Director of Financial Strategy; Gillespie G (Gary); Khan U (Uzma); Birt C (Christopher); [REDACTED]

**Subject:** FM - Briefing - Meeting with Benny Higgins - 27/09/17

First Minister  
cc : As above

Please find attached briefing to support your meeting with Benny Higgins on 27 September to discuss implementation planning for the Scottish National Investment Bank. Please note that a further update will be provided before the 27<sup>th</sup>.

Regards  
[REDACTED]

## Attachment 1

### MINISTERIAL ENGAGEMENT BRIEFING: NICOLA STURGEON

Copied to: Cabinet Secretary for Finance and the Constitution, Cabinet Secretary Economy Jobs and Fair Work, DG Economy, Sam Anson, [REDACTED] Mary McAllan, Richard Rollison, [REDACTED]; Stewart Maxwell, Liz Lloyd, Alyson Stafford, Gordon Wales, Director of Financial Strategy, Gary Gillespie, Uzma Khan, Christopher Birt, [REDACTED]

<i>Engagement Title</i>	Scottish National Investment Bank – Meeting with Benny Higgins
<i>Timing</i>	<b>Normal</b>
<i>Organisation/Venue and full address including postcode</i>	FM's Office, Scottish Parliament
<i>Date and Time of Engagement</i>	Date(s): 27/09/2017 Time(s): 14.00-14.45
<i>Background/Purpose</i>	Benny Higgins has accepted your invitation to lead work in developing an implementation plan to create a Scottish National Investment Bank.
<i>Relevance to Core Script</i>	Providing investment for growth
<i>Summary Page (key issues, lines to take if pressed and issues to avoid)</i>	<b>Annex:A</b> – Summary Page <b>Annex:B</b> – Council of Economic Advisers – Case for a Scottish National Investment Bank <b>Annex:C</b> – Learning from Previous Policy Development <b>Annex:D</b> - Project Board & Resourcing
<i>Official Support</i>	Official  Liz Ditchburn – [REDACTED] Sam Anson – [REDACTED]

## **SUMMARY PAGE**

**ANNEX A**

[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]

## **THE COUNCIL OF ECONOMIC ADVISERS (CEA) – CASE FOR A SCOTTISH NATIONAL INVESTMENT BANK**

**ANNEX B**

[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]

## **LEARNING FROM PREVIOUS POLICY DEVELOPMENT**

**ANNEX C**

[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]

## **PROJECT BOARD AND RESOURCING**

**ANNEX D**

[Redacted under S.30(b)(i) Free and Frank Provision of Advice.]

### **Advisory Group 25/09/2017**

**From:** Sibbald, Chris

**To:** Higgins, Benny (Tesco Bank); Paul Brewer; Dowds, Cahal (UK - Edinburgh); Peter Reekie;

[REDACTED]; Anson S (Sam)

**Subject:** SNIB

**Date:** 25 September 2017 12:19:15

**Attachments:** image001.png

Hi there,

I hope everybody had a lovely weekend. Thanks again for your time on Friday.

[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]

Very best,  
Chris

### **Benny Meeting Lord Smith of Kelvin 29/09/2017**

**From:** Sibbald, Chris

**Sent:** 26 September 2017 10:36

**To:** Sibbald, Chris; Anson S (Sam)

**Subject:** Benny meeting with Lord Smith of Kelvin

**When:** 29 September 2017 12:00-13:00 (UTC+00:00) Dublin, Edinburgh, Lisbon, London.

**Where:** Green Investment Bank, Atria One, Morrison Street

### **The Green Investment Bank**

UK Green Investment Bank plc was created in 2012 by the UK government to attract private funds for the financing of the private sector's investments related to environmental preservation and improvement. It was structured as a public limited company owned by the Department for Business, Energy and Industrial Strategy (BEIS).

Initial capitalisation of £3bn in UKG funding.

The UK Government decided that moving the GIB into the private sector would free it from the constraints of public sector ownership allowing it to increase investment in green infrastructure as the UK transitions to a green economy. The UK government agreed in April 2017 to sell the GIB to Australian Group Macquarie.

## **[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

### **Advisory Group Meeting 29/09/2017**

**From:** Sibbald, Chris [REDACTED]

**Sent:** 27 September 2017 12:03

**To:** Sibbald, Chris; Higgins, Benny (Tesco Bank); Paul Brewer; Dowds, Cahal (UK - Edinburgh); Anson S (Sam); [REDACTED] Peter Reekie; [REDACTED]; DG Economy; [REDACTED]; **Cc:** [REDACTED] (Tesco Bank); Gillespie G (Gary); DG Scottish Exchequer Mailbox

**Subject:** SNIB Advisory Group Meeting

**When:** 29 September 2017 13:30-15:30 (UTC+00:00) Dublin, Edinburgh, Lisbon, London.

**Where:** Scottish Futures Trust, 1st Floor, 11-15 Thistle Street, EH2 1DF

### **Attachment 1**

#### **Agenda**

Meeting of: SNIB Implementation Advisory Board (Meeting 2)

Date and time: 29 September 2017, 1pm

Place: SFT, Thistle Street, Edinburgh

Item Topic 8.1

**1. Review Actions (BH)**

(Review of actions agreed at last meeting and priorities for Advisory Board)

**2. Update from Week's Meetings (BH)**

(Update from BH on meetings with FM and Lord Smith)

Meeting with the FM – 27<sup>th</sup> Sept

## **[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

Lord Smith

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Governm Policy.]**

3. **Private vs. Public Classification** (All)  
(Further discussion on classification)

- Papers welcomed as background material

4. **Top Ten List & Workstream Allocation** (PR)  
(Update on Top Ten List & Allocation of resource to Workstreams)

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Governm Policy.]**

5. **Stakeholder Meetings** (SA)  
(Review of Stakeholder List & Meeting Log)

- AG members to share details of all engagement activities with CS / RK / SA

6. **Next steps** (BH)

Summary Action Points

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Governm Policy.]**

**Email Content**

FM update

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

Lord Smith

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

Workstreams / Top 10 Qs

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**

Call Laurie [REDACTED]

Engagement

**[Redacted under S.29(1)(a) Formulation or Development of Scottish Government Policy.]**