

## MINUTE OF MEETING



### SOUTH OF SCOTLAND ENTERPRISE – BOARD MEETING 1 OCTOBER 2020 – BY MICROSOFT TEAMS

<p><b>Board</b> Professor Russel Griggs OBE (Chair) Nick Halfhide, Chief Executive Alistair Cameron Alan Daubney Helen Forsyth Duncan McConchie Lindsay McDowall Kate Rowell Jeremy Sainsbury Hazel Smith David Sulman Professor Sara Carter</p>	<p><b>SOSE Senior Leadership Team</b> Anthony Daye, Director of Finance John Evans, Director of Enabling Services Karen Jackson, Director of Strategy</p> <p><b>SOSE Attendees</b> Susan Harkins, Head of Area Operations Phil McCreadie, Head of Area Operations Claire Renton, Head of Area Operations Alex Stewart, Head of Area Operations Kate Pearson, Economic Infrastructure Development Specialist Phillip Robinson, Business Development Specialist Tracey Graham, Communications &amp; Marketing Manager Susan Cannon, SOSE Corporate Office Alan Manthorpe, SOSE Corporate Office</p> <p><b>Guests</b> Fergus Ewing MSP – Cabinet Secretary for the Rural Economy and Tourism</p> <p>Scottish Government Official – Regional Economic Development Division Scottish Government Official – Regional Economic Development Division Scottish Government Official – Regional Economic Development Division</p> <p>(Information removed in the interests of the effective conduct of public affairs.)</p>
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### DISCUSSION WITH FERGUS EWING MSP – CABINET SECRETARY FOR THE RURAL ECONOMY & TOURISM

#### Opening Remarks

1. Russel Griggs welcomed the Cabinet Secretary and all the Board Members to the meeting, noting that this was the first time that Mr Ewing will have attended the SOSE Board. He added that the SOSE Board had only met online but responding to the challenges of the first six months had built a strong bond across Board members. He ended by saying that SOSE's focus was perhaps not what had been expected but was on responding to the impact of COVID-19 on the South of Scotland.

2. The Cabinet Secretary for the Rural Economy and Tourism, Fergus Ewing MSP provided some opening remarks. The following key points were noted:
  - He began by saying how delighted he was with how SOSE had started off in its role, and that its leadership and proactive approach had been exemplary.
  - SOSE had been doing new things, reaching out to companies through the Grant funding process, and that proactive approach had been positive.
  - He noted that the size of the South of Scotland meant that it was easier for SOSE to reach out and to get people involved.
  - SOSE should utilise the full resource and skills of its Board and should not be afraid to reach out to the business community.
  - He was keen to stress that it was important not to spurn the opportunities, and that speaking with businesses will ensure opportunity could be identified. Speaking to businesses would also mean that Government can apply itself to any problems to unlock progress.
  - Mr Ewing stressed the importance of both farming and forestry. He was keen that SOSE had staff which understood the farming community and could support the good ideas which come from these sectors.
  - On forestry he stressed the importance of finding the balance between communities and forestry development, to maximise the huge potential opportunities in the sector.
  
3. SOSE Board members highlighted a range of issues key to the South of Scotland and the work of the Board. Topics covered in discussion were:
  - Impact of CV-19 and our recovery
  - Our priorities for 2020/21
  - Specific sectoral impacts – including tourism
  - EU Exit
  - Delivering a well-being economy
  - Supporting businesses (including Fair Work)
  - Supporting communities
  - Infrastructure – transport/digital
  - Green recovery and energy
  - Skills across the region
  
4. Fergus Ewing MSP thanked Board Members for their insights and their enthusiasm and responded briefly to the points raised:
  - He noted the successes of businesses in the South of Scotland.
  - Renewable Energy would be a huge opportunity for rural Scotland, though one of the most important factors would be the transmission grid.
  - Legal Targets on Climate Change would drive renewable energy development which will drive significant development.
  - Scotland needed better regulation around development, not necessarily more or less. He provided an example of a streamlined process of consent for renewable energy which was raised by the Advisory Group on Economic Recovery.
  - In relation to forestry, he noted that a Tenant Farmers Forestry Fund was being explored to try and ease some tensions.
  - Depopulation was raised, and Mr Ewing reflected on the issues of both planning and housing, noting that more housing was needed to enable people to benefit from economic opportunities and SOSE could work with the local authorities to explore the approach.

The South of Scotland could benefit from home working. This was supported by the R100 programme.

- The South of Scotland had tourism opportunities, with a large domestic market close-by to target, and the opportunities for more domestic travel because of COVID19.
- The Cabinet Secretary ended by discussing the challenges for young people. He intimated that he was most concerned by the effects COVID19 would have on them, with a forecast spike in unemployment. He said there was opportunities for the public sector to really make a difference providing opportunities for young people.
- Fergus Ewing MSPs invited SOSE Board members to speak to him offline if they had any further issues they wanted to discuss further.

## **WELCOME AND INTRODUCTIONS**

5. Russel Griggs welcomed all attendees and thanked Board Members for their participation in the previous session with the Cabinet Secretary.

## **MINUTES OF SOSE BOARD MEETING 27 AUGUST 2020**

6. The minutes of the meeting were approved.

## **ACTION LOG**

7. The following points were raised on the action log:
  - SOSE were exploring the level of support for digital transformation and innovation under the Memorandum of Understanding between SOSE and SE.
  - SOSE had recently put in place a robust enquiry system using CRM Dynamics aiming to respond to enquiries within 3 days and this was being monitored.
  - The Heads of Area Operations and the Director for Operations were prioritising the need for SOSE to support businesses to rethink their business plans in light of COVID, and dedicating time to think about the support needs for businesses.
  - The importance of ensuring adequate staffing level in Operations to deal with business demand was highlighted.
  - Anthony Daye, Director of Finance highlighted SOSE had a number of data sharing agreements in place with partners to ensure this was not an impediment to development. SOSE would encourage partners to take similar approaches.

## **CHAIR'S REPORT**

8. Russel Griggs delivered his report as Chair. The following key points were raised:
  - The second Convention of the South of Scotland had taken place. The meeting had been very positive, with sessions led by John Swinney MSP, Fiona Hyslop MSP, Fergus Ewing MSP, and Paul Wheelhouse MSP.
  - Skills, Housing, Transport were all discussed. Russel particularly highlighted the need to get more local businesses involved and driving skills training in the South.
  - SOSE would be leading on a number of key items arising from the Convention.
  - The Convention would meet again in February 2021.

## **CHIEF EXECUTIVE'S REPORT**

9. Nick Halfhide provided his usual report as CEO. The following key points were noted:
  - SOSE was in the process of further recruitment.

- The South of Scotland Regional Economic Partnership had met for the first time in its full form. To achieve the timetable for developing the Regional Economic Strategy, additional capacity would be required to deliver, and this would require procurement of consultancy support.
- Nick Halfhide, Chief Executive said that the relationship with Local Authorities was strong and had been built quickly through the COVID process.
- Board members requested to see more management information, such as response times.
- Board members were keen to explore how they could add capacity to SOSE's staff complement and the potential to develop this recognising the different roles.

#### **UPDATE FROM AUDIT & RISK COMMITTEE**

10. Anthony Daye, Director of Finance gave an overview of the work of the Audit & Risk Committee.

The following key points were noted:

- Due to COVID19 delays were likely on SOSE's audit.
- SOSE Fraud Policy and training on it had been approved by SLT
- Directorate risk registers had been established.
- SOSEs approach to communicating directly with businesses through the COVID19 funding process had been positive.

#### **UPDATE FROM THE REMUNERATION, NOMINATIONS AND HUMAN RESOURCES COMMITTEE**

11. John Evans, Director of Enabling Services provided an update to the Board; the following key points were noted:

- The Committee Chair noted the earlier discussion around recruitment, highlighting that SOSE needed back office support to ensure there is the capacity for managerial staff to focus on strategic matters. It was further highlighted that front facing staff was something the Committee would be considering.
- The structure around the Operations directorate was evolving.

#### **SOSE FINANCE REPORT**

12. Anthony Daye, Director of Finance updated the Board on SOSE's financial report, the following key points were noted:

- SOSE had a project pipeline which would ensure that the budget was fully utilised
- Revenue was reported to be in a good position

#### **RISK APPETITE**

13. Anthony Daye, Director of Finance led the session on Risk Appetite. He thanked Board members for their contributions to the initial report which he had brought together for the meeting. The intention was to bring together an outline of the Boards appetite for risk, which would then be monitored by the Audit & Risk Committee.

#### **TRANSFER OF BUSINESS GATEWAY SERVICES TO SOSE**

14. Susan Harkins, Head of Area Operations provided an overview of the report – which sought agreement on bringing Business Gateway in the Scottish Borders into SOSE, and to progress further discussions about doing similar in Dumfries & Galloway.

The Board were very supportive of bringing Business Gateway in to SOSE, and they wished to see it progress in both Borders and Dumfries & Galloway. The Board agreed to the recommendations of the report.

## **PROJECT FUNDING APPLICATIONS**

15. The Board considered four project funding applications. Three of the proposals were agreed or agreed in principle. Decision was deferred on one project.

*Details of projects funded, and their values are published by SOSE on a quarterly basis once all relevant contractual terms have been agreed. Please refer to the SOSE website for information on the Grant Funding that we have distributed. [SOSE - Accessing our information](#)*

## **ANY OTHER BUSINESS**

16. An update was requested on the recruitment of a permanent CEO. The application process was due to close the following week.

## **DATE OF NEXT MEETING**

Full SOSE Board Meeting – Thursday 5 November 2020

*SOSE Board Secretariat – 12 OCTOBER 2020*