

MINUTE OF MEETING



SOUTH OF SCOTLAND ENTERPRISE – BOARD MEETING 27 AUGUST 2020 – BY MICROSOFT TEAMS

<p>Board 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>SOSE Senior Leadership Team Anthony Daye, Director of Finance John Evans, Director of Enabling Services Karen Jackson, Director of Strategy Bryan McGrath, Director of Operations</p> <p>SOSE Attendees Alex Stewart, Head of Area Operations Tracey Graham, Communications & Marketing Manager Stuart Thomson, Business Development Specialist (Item 11.1.2) Susan Cannon, SOSE Corporate Office Alan Manthorpe, SOSE Corporate Office</p> <p>Guests 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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WELCOME, INTRODUCTION AND APOLOGIES

1. Russel Griggs, Chair welcomed members to the meeting. There were no apologies. Russel explained that members from the Operations team would join the meeting to provide overviews on some of the project funding applications. New members of the SG sponsorship team would also be observing.

DECLARATION OF INTEREST

2. There were no declarations of interest from Board members.

MINUTES OF 09 JULY 2020

3. The minutes were agreed subject to an amendment to record an agreed action for a paper to be brought to the Board to set out how SOSE would provide business support on 1 October 2020.

ACTION LOG

4. The log was updated with actions 9, 10, and 11 be marked as completed and an update for a future Board requested for the Place Based Work.

The Board welcomed the Organisation Chart and suggested that it would be helpful to have a version that showed the current structure under the four Heads of Area Operations, recognising that the structure was developing as more staff joined.

CHAIR'S REPORT

5. Russel Griggs provided the report from the Chair, highlighting the following key points: Russel highlighted his membership of the Town Centre Action Plan Review group and its work. He had emphasised the South of Scotland was a region of diverse small communities, and that there should not be a one size fits all approach. The group was to publish its report at the end of December 2020. Board members highlighted the importance of identifying and highlighting the competitive advantages of different towns.
 - Karen Jackson, Director of Strategy updated the Board around SOSEP and the continuing work to repurpose derelict buildings for social housing.
 - The issue of equivalence of budget with Highlands & Islands Enterprise had been at the fore of the discussions. Russel thanked the team at Scottish Government for their assistance in Capital and Revenue budgeting discussions. The outcome would be published in December 2020.
 - An overview was given of the budgeting process. A five-year capital budget would be agreed, with a focus on maintaining capital assets and investing in more low carbon activities. Some tough decisions had been made, but that SOSE had reached a positive outcome. It was noted that Fergus Ewing MSP was a great champion for the South of Scotland, and other Cabinet members were receptive to the case from the South. They were encouraged by the work already done by SOSE, and the way it was already contributing to government ambitions.
 - The importance of creating the environment to leverage in private sector investment was highlighted.
 - Russel updated on the first two initial meetings of the South of Scotland Regional Economic Partnership. The Board members who were on the REP welcomed the speed at which the REP members wanted to make progress but recognised the challenge of managing the size of the group. It was clarified that additional members would be joining the next meeting of the REP.

CHIEF EXECUTIVE'S REPORT

6. Nick Halfhide provided his Chief Executive's Report which included the first of the written updates from members of the Senior Leadership Team. The following key points were noted:
 - SOSE was making good progress across the Board. He added that a Gateway review would take place to review the progress made, and the further work required.
 - Nick continued to meet with staff members to get their reflections on the first few months of operation.
 - John Evans, Director of Enabling Services was leading Brexit related discussions for SOSE. Nick assured Board members that SOSE would be feeding those issues to Scottish Government. He also highlighted the ports on Loch Ryan as particular areas for attention.
 - Board members found the reports provided by SLT helpful in giving an overview of activity.

- Staff surveys were raised by the Board. A short survey would be going out to staff in the coming days which will allow staff to feedback on working during the lockdown. Outcomes from this would be shared with the Board. All responses would be anonymous.
- Development of the Intranet was progressing well and would be a key tool for communicating and providing guidance to staff. Currently SOSE was making good use of Teams.

UPDATE FROM SOUTH OF SCOTLAND ENERGY TRANSITION GROUP

7. An update was provided by the chair of the group. The following key points were noted:
 - The group had met twice, and included representation from both Councils, Scottish Power, National Grid, and Scottish Natural Heritage (now NatureScot). The first meeting focused on principles, and the second on distribution networks. The next meeting would address transmission network issues.
 - The group was established to take forward the development of an energy strategy to articulate a vision for the South of Scotland
 - Outlining the transition required to achieve it. It could help identify a forward pipeline of projects to inform a structure for investment from the private sector, one example being re-electrification of rural areas. The group's initial output would be a response to Ofgem's consultation, and it would then look to produce a short report setting out key issues and the way forward for the SOSE outlining key opportunities that a structured approach could unlock. It was highlighted that it was important that the group's work would be valuable in contributing to the National Planning Framework 4 and informing Regional Spatial Strategies.
 - It was concluded that there was a real opportunity for rural areas to develop expertise in future solutions which could then be employed in more urban areas.

UPDATE FROM THE REMUNERATION, NOMINATIONS AND HUMAN RESOURCES COMMITTEE

8. John Evans, Director of Enabling Services provided an update from the RNHR Committee. The following key points were noted:
 - Development of staffing numbers had been going to plan.
 - SOSE was engaging with an external company on the CEO recruitment process.
 - Additional staff benefits had been agreed by the committee, including an approach to flexible working, cycle to work salary sacrifice scheme, and one year's salary life cover for all staff.
 - SOSE had agreed recognition documentation with the trade union PCS. Work would continue on Fair Work.

SOSE FINANCE REPORT

9. Anthony Daye, Director of Finance gave a brief overview of the Finance Report. The following key points were noted:
 - The main budget alterations for SOSE related to expenditure on land and buildings taken over from SE, and also Scottish Government funding around Galalaw.
 - SOSE was working through reductions in rental income.
 - Questions were also raised on how the Community Ideas Fund had progressed. Bryan McGrath, Director of Operations highlighted that the fund would be used as a tool for Operations staff when working with communities. Contacts had been made and the flow

of projects was expected to be forthcoming. The first panel for the Community Ideas Fund was expected in the next few weeks.

REFLECTIONS ON FAIR WORK STRATEGY SESSION

10. Karen Jackson, Director of Strategy provided an overview of the feedback received from Board members. The following key points were noted:

- The feedback was very positive on the session, though it was felt that further engagement would be required, and the Board would need to have a follow up session.
- Fair Work solutions would be specific to businesses circumstances, and SOSE would seek to work with businesses that were committed to progressing in that field.
- SOSE needed to become an exemplar of Fair Work and promote this across the South of Scotland. A paper would come to the next Board which would outline how SOSE will become and demonstrate its Fair Work credentials.
- The Board were keen that the Fair Work wasn't perceived as a barrier to businesses coming forward to seek support from SOSE. It was considered important that the right messaging be developed about what SOSE meant by Fair Work, and how it could support businesses on that journey.
- Competitiveness was reflected upon, highlighting that some businesses would be competing with businesses outside Scotland, and around the world, where there was a different approach to Fair Work issues. Self-employed and family businesses were also raised as an important section of the economy to consider when thinking about Fair Work and how to support them adopt similar principles in a way that met their business circumstances, as they can have practices which are most challenging.
- John Evans, Director of Enabling Services highlighted SOSE had been working with Scottish Government and Scottish Enterprise on individual Fair Work units.

PROJECT FUNDING APPLICATIONS

11. The Board considered three project funding applications. Two 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](#)

OTHER BUSINESS UPDATES

12. Bryan McGrath, Director of Operations provided an update on three businesses that SOSE had been engaged with.
13. The Board raised the issue of PACE support for reskilling. Bryan highlighted that work had been ongoing to reshape the PACE service to adjust to the new challenges faced. SOSE was working with SDS, and local employability partnerships to inform this, and ensure that the response is fit for purpose in the South of Scotland.

OVERVIEW OF COMMUNITY PROJECTS PIPELINE

14. Alex Stewart, Head of Area Operations provided an overview of forthcoming Community Projects through the Community Asset Development Fund. The following key points were noted:
- SOSE had a duty through legislation to support community ownership of land.
 - Land ownership could be an enabling step in community empowerment. Asset acquisition had been a focal point for further community economic development.
 - Nine projects were in the pipeline from a variety of sources.

LANGHOLM MOOR

15. Alex Stewart, Head of Area Operations gave a summary of the funding application re Langholm Moor.

Decision: The Board agreed to give provisional agreement to the funding application, with caveat.

BORDERLANDS INCLUSIVE GROWTH DEAL

16. The presentation on the Borderlands Inclusive Growth Deal was noted.

SOSE OPERATING PLAN

17. Karen Jackson, Director of Strategy gave a brief overview of the draft Operating Plan. The following key points were noted:
- The document required some final additions
 - The timing of the release of the plan was being discussed with Scottish Government to reflect the timing of the Programme for Government in early September.
 - Scottish Government had provided feedback which had been articulated.
 - Board members raised the need for more articulation in the plan of the pathway for young people, and it was highlighted this would be more shown on the mapping graphics.
 - There was also an identified need for more vision and direction for the area. It was considered this would be brought through more strongly in the forthcoming Action Plan.

Decision: The Board agreed the SOSE Operating Plan for 2020/21

FINAL UPDATE ON PIVOTAL ENTERPRISES RESILIENCE FUND AND CREATIVE, TOURISM AND HOSPITALITY ENTERPRISES HARDSHIP FUND

18. The presentation on the two funds was noted.

ANY OTHER BUSINESS

19. An update was sought on the possible transfer of Business Gateway operations from the local authorities to the SOSE. Discussions had been continuing with the local authorities, the National Unit of Business Gateway and COSLA, though a final agreement had not been reached. It was possible that an agreement would be reached to transfer Business Gateway in the Scottish Borders to SOSE, with a further decision on Business Gateway in Dumfries & Galloway at a later date.

DATE OF NEXT MEETING

20. The date of the next Board Meeting was Thursday 1 October 2020.
21. The next Board Strategy Sessions will take place on Friday 4 September 2020, Wednesday 9 September 2020, and Wednesday 30 September 2020.

SOSE Board Secretariat – 1 September 2020