

MINUTES OF MEETING

SOUTH OF SCOTLAND ENTERPRISE – BOARD MEETING 11 June 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 Tracey Graham, SOSE Communications Susan Cannon, SOSE Corporate Office Alan Manthorpe, SOSE Corporate Office</p> <p>Guests 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.

DECLARATION OF INTEREST

2. Two Board members declared an interest in relation to item 9.

MINUTES OF 28 MAY

3. An issue was raised with the point under Paragraph 6, which related to work experience placements, where it should have related to volunteering opportunities. This will be redrafted. The minutes of the meeting were otherwise approved.

ACTION LOG

4. The action log was noted. It was agreed that the Action Log would continue to include completed actions.

John Evans, Director of Enabling Services also updated the Board on the Shadow Workers Interest Committee, noting that discussions had been ongoing with its Chair and that they had both attended an online conference to develop a deeper understanding of Fair Work. He added

that it was important to gather views from a wide range of perspectives to consider what Fair Work means for the South of Scotland, and what it should look to achieve.

CHAIR'S REPORT

5. Russel Griggs provided the report from the Chair. The following key points were noted:
 - He had been continuing to meet with industry groups to understand their specific challenges arising from the COVID-19 pandemic.
 - Regular meetings had been ongoing with the Cabinet Secretary for the Rural Economy – Fergus Ewing MSP, and SOSE was receiving positive feedback from Government.
 - Russel Griggs also reflected on the recent announcements around redundancies in the South of Scotland. He commented that it was important complacency did not creep in, and that all avenues be explored to avert redundancies.
 - Board members were thanked for their ongoing contributions. Russel Griggs particularly highlighted Board member participation in regular meetings of the Grants Committee, and also for assistance in drafting the Boards response to the Advisory Board on Economic Recovery.
 - Further to that, the chair highlighted that the Strategic Advisor to the Advisory Board on Economic Recovery had received hundreds of responses, and whilst there had been no feedback to that point, he would be presenting at the next meeting of the national strategic Board.
 - It was pointed out that the Climate Change Committee, would be producing a recovery plan, rather than its usual annual report, and suggested it would be helpful for the Strategic Advisor to the Advisory Board on Economic Recovery to see that before making his recommendations. Karen Jackson, Director of Strategy was asked to raise this with the Strategic Advisor to the Advisory Board on Economic Recovery.
 - The reopening of Tourism businesses was welcomed, though it was recognised there was an ongoing challenge in relation to the two-metre social distancing guideline.

CHIEF EXECUTIVE'S REPORT

6. Nick Halfhide, Chief Executive updated the Board on recruitment, and current activity. The following key points were raised:
 - It was important to ensure that employees came from across all parts of the South of Scotland. An update will be shared which shows the numbers of staff by their main office location.
 - SOSE was still a small organisation with limited capacity, with only 10% of the staff that HIE have. Nick confirmed that staff numbers should be between 60 and 70 by the end of the summer.
 - Discussions around Business Gateway were still ongoing. The COVID-19 pandemic had limited the amount of progress that had been possible to make on these discussions.
 - It was queried if any changes had been made in relation to organisational development due to COVID-19. SOSE had needed to respond to the immediate situation so hadn't had the opportunity to take time to consult, reflect, and develop the support required, responding to the views of the South of Scotland. There would be time to take stock over the summer, looking at staff skills moving forward. Board members expressed their desire to be able to feed into that process.
 - Requests were made from Board members to see the role profiles of both Community Development Specialists, and Business Development Specialists. The role of CDS would

be part of a discussion between Karen Jackson, Director of Strategy and Bryan McGrath, Director of Operations in a scheduled meeting with some Board members.

- Opportunities had been explored with other organisations to see how specialist staff could be brought in. One example of this was working with Zero Waste Scotland, to bring in some expertise on the circular economy.
- The need to look at strategy and key performance indicators was raised. This would be looked at as soon as was possible and would be informed by discussions with the Office of the Chief Economic Adviser at Scottish Government who were looking more generally at well-being and inclusive growth indicators.
- Fergus Ewing MSP and Kate Forbes MSP – Cabinet Secretary for Finance – had both participated in a discussion with the Senior Leadership team. They were interested in investment opportunities in the South of Scotland and the current project pipeline reflected those who had approach SOSEP as well as others who were approaching SOSE direct.

FINANCE UPDATE

7. Anthony Daye, Director of Finance provided an overview of SOSE finances. The following key points were noted:
 - SOSE would continue to monitor projects to which it had committed finance to, to ensure that the businesses cases for these projects remained current and viable. If any changes to these arrangements were made, then these would be brought back to the Board for consideration.
 - Where SOSEP projects could not be taken forward, any committed SOSEP funding would be returned to Scottish Government. There would potentially be an opportunity for SOSE to discuss with Scottish Government what else this money could be used for.
 - A more detailed breakdown of the costs for shared services from Scottish Enterprise and Skills Development Scotland was requested by the Board.

COVID-19 – TRANSITION FROM LOCKDOWN TO PHASE ONE

8. Russel Griggs opened a discussion on what was required to get communities ready for the Economic Restart. A further discussion followed outlining the work a Board member had taken forward in his community to create a promotional video for potential tourists, to promote responsible behaviour, so that there was no friction between communities and visitors. The following key points were made:
 - VisitScotland had offered to provide assistance to edit the video.
 - A pan South of Scotland video could be produced which could be accompanied by locally focussed additional materials.
 - Local resilience groups which had been built up through COVID-19 could be used to understand and address the concerns of people across the South of Scotland. SOSE could also work with these groups to develop community development work going forward.
 - Concerns were raised around a lack of clarity around government advice. Russel Griggs highlighted that SOSE had written to Scottish Government around the messaging that is required to get people confidently going about their daily business as the lockdown further lifts. This would be taken up when the timing was right.
 - It was important that any campaign material reached out beyond just social media.

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

9. John Evans, Director of Enabling Services provided an update on the delivery of these two funds, which were forecast to have delivered around £10million to businesses in the South of Scotland. Both funds were now closed, and SOSE staff were engaging with businesses that had not been eligible for support to establish possible further support. The key points noted were:
- Around 40% of awards through PERF had gone to the Hospitality Sector.
 - The Board reiterated its thanks to the Grants Team for its work on delivery.
 - SOSE was leading the way across Scotland in how it dealt with those businesses that had not been successful.
 - The process had allowed SOSE to build up a great understanding of the rural economy of the South of Scotland.
 - Conversations with businesses who were unsuccessful had been difficult, but the approach had generally been welcomed and moving forward would help build effective future relationships.
 - SOSE would look to garner feedback from businesses and evaluate how it had performed.

SUPPORTING COMMUNITY OWNERSHIP – POTENTIAL PROJECTS SEEKING SUPPORT

10. Karen Jackson, Director of Strategy presented the report which provided an overview of projects which were currently seeking funding support. The key points noted were:
- People were the main assets in communities, but bricks and mortar were needed to develop organisations. Projects where communities wanted to own assets needed to be sustainable and be able to generate revenue.
 - SOSE was not simply another funding pot for communities, it should add value to the development of the project and help ensure that the communities were identifying economic and social returns on funding.
 - It was suggested that SOSE business advisors could work with communities to help build the business cases for community projects. It would provide business acumen and provide comfort to the Board that projects have been developed with this in mind. This however needed to be balanced with SOSE resources, where capital resource was more available than revenue.
 - Challenges with forestry projects were highlighted, as while they could provide the community with an asset, they needed a robust business plan so that they didn't become a burden as the financial return was over a long time period.

DEVELOPING LONG TERM RELATIONSHIPS – SOUTH OF SCOTLAND DESTINATION ALLIANCE

11. This item was taken in two parts, the first on the principles of developing long term relationships with organisations, the second was on the specifics of the application for funding from the SSDA. Karen Jackson, Director of Strategy firstly provided an overview of the proposed principles for long term relationships, the key points noted were:
- SOSE had an aspiration to work differently. Long term partnerships were something that had been uncommon in the public sector.
 - Questions were raised on how to identify the right partners work with. This would be developed in time, but for now the application from SSDA was an example of how the landscape had been decluttered, and groups brought together to deliver maximum impact.
 - The principles of developing long-term relationships were agreed by the Board.

The second discussion focussed on the application from SSDA. Karen Jackson provided an overview of their bid.

Decision: The Board approved funding for SSDA.

“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](#) “

SOSE ACTION PLAN AND INTERIM APPROACH

12. Karen Jackson, Director of Strategy briefly outlined the proposed approach to developing an action plan. Legislation required SOSE to have an action plan in place, but due to the COVID-19 pandemic, taking forward the process to develop the action plan had taken a back seat to response work. Key points noted were:

- For the current Financial Year, SOSE would operate with an Operating Plan ‘plus’, setting out current priorities. This would be developed over the summer and brought to the Board for sign-off in August.
- The process to develop a forward-looking action plan would be take forward so that the plan could be delivered by the end of March 2021.
- A strategy day will also be organised for Board Members.
- The consultation strategy would be agreed by the Board and the timetable allowed for a three-month consultation period.
- This approach reflected the uncertainty of the impact of COVID-19, the range of activity to set out recovery plans, including the likelihood for a number of strategic guidance letters as the impact and response became clearer.
- Members agreed to the approach.

Decision: The Board agreed the approach to the development of the Action Plan.

DATE OF NEXT MEETING

13. The Board agreed to move to a four-weekly schedule of Board meetings. It was also agreed that Board Meetings would be scheduled for three hours. The next meeting will take place on 9 July 2020.

ANY OTHER BUSINESS

14. It was highlighted that the Scottish Government had brought forward the closing date on the COVID-19 Property Grants Scheme and asked for clarity on this issue. In response it was outlined that this was the case, and SOSE and the local authorities would be working together to inform the business community of this, to ensure that as many businesses access the funds as is required.

Clarification was also sought on the view expressed the Strategic Advisor to the Advisory Board on Economic Recovery, that Scottish Government may potentially take a stake in certain key enterprises to see them through the COVID-19 crisis. It was clarified, that in doing this, it was thought that a particular Scottish Government body would take these on.

A member of the Board highlighted that they had met with a representative from Heriot Watt University, to explore possible collaboration in the South of Scotland, through their role with University of Glasgow. This was welcomed by the Board.

Russel Griggs thanked members and closed the meeting.

SOSE Board Secretariat – 29 June 2020