

SOUTH OF SCOTLAND ENTERPRISE – BOARD MEETING 26 MARCH 2020 – BY MICROSOFT TEAMS

MINUTES OF MEETING

<p>Board Professor Russel Griggs OBE (Chair) Nick Halfhide, Chief Executive Alistair Cameron Professor Sara Carter Alan Daubney Helen Forsyth Duncan McConchie Lindsay McDowall Kate Rowell Hazel Smith</p> <p>Apologies Jeremy Sainsbury David Sulman</p>	<p>SOSE Senior Leadership Team Anthony Daye, Director of Finance John Evans, Director of Enabling Services Karen Jackson, Director of Strategy Bryan McGrath, acting as Director of Operations</p> <p>Other SOSE staff Communications and Marketing Officer</p>
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WELCOME, INTRODUCTION AND APOLOGIES

1. Russel Griggs, Chair Designate, welcomed members to the meeting. Apologies were received from Jeremy Sainsbury and David Sulman.

DECLARATION OF INTEREST

2. There were no declarations of interest.

MINUTES OF THE DISCUSSION ON 19 MARCH (paper SOSE (M) 2)

3. The minutes were approved.

ACTION LOG

4. The action log was noted.

COVID-19 - UPDATE

5. Russel Griggs invited members to share their perspectives of the impact of the situation on the South of Scotland. Previous perspectives had been fed into Scottish Government and shared with MSPs. Real time intelligence was important to shaping the national response.
6. Members highlighted the following issues:

GENERAL

- Importance of clear, simple, and consistent communication about the support available.
- Concerns about the emerging differences between interpretation in England and Scotland adding to confusion, for example around support to those in self-catering, definitions of key workers and the operation of agricultural auction markets.
- Need for clarity on who were key workers and the identification required. Businesses in the South were adopting a straightforward process to ensure key workers had some form of identification with a simple note from their employers to show if asked.
- Some businesses were likely to find it difficult to provide all the information requested of them in the grant claim forms, as they were out of their premises and not able to access information, those assessing claims would need to be pragmatic and flexible.
- Banks were being criticised, for not being available, for applying a “business as usual” approach to assessing viability and for not responding quickly enough (4 to 6 weeks for a decision).
- There were questions about the detail of how the support schemes would work and members recognised that many did not yet have an answer:
 - Retail, Tourism, and hospitality businesses – what happened to those businesses which fell outwith the rateable value (£15k to £25k).
 - A request for clarity about who qualified for what, was the grant scheme per business or per premise, businesses were just looking to understand what they can apply for.
 - Business Interruption Loan Scheme – would the government 80% guarantee be on individual loans or across the supplying bank’s loan portfolio.
 - Operation of job retention scheme:
 - concerns about who would qualify and how it would operate with businesses concerned to use it if they later were to find that they did not qualify.
 - were there any flexibility around using the furloughed scheme to reduce hours of all staff rather than furloughing some and keeping others on full time.
 - was there additional support for those companies wanting to help by producing food for key workers at no cost?

PARTICULAR SECTOR ISSUES

Agriculture

- There had been an 80p per kilo drop in the price of lamb as French processors focused on French meat and were not importing, when added to the reduced demand from food services industry situation worsened. However, March/April was not a time of significant sales.
- Markets were now open following some confusion previously about whether they should close.
- Food production:
 - Butchers – were seeing demand for familiar products – mince and chicken
 - There had been a switch from food services to providing for retail markets
 - Social distancing was providing a challenge to efficiency of production lines
 - There had been a simplifying of production lines – with sufficient being produced but less variety
- Depending on how long situation continues, there were some potential future problems that could emerge:
 - access to sheep shearers from AUS/NZ and a concern about whether there would be enough shearers available.
 - completing IACS forms – those completing the forms usually drew on office-based advice working directly with advisers.

Tourism

- The impact on the sector was described as “horrific” and the outlook bleak, recognising that there would be no bookings for months to come with many also needing to give refunds and pay fees of booking companies.
- The impacts were deep given the seasonal nature of an industry which saw Easter as beginning of season. While the support to pay staff was welcomed, there was a concern about whether businesses would be able to survive through the summer.
- There was a need to build into recovery planning, the need for significant investment in a marketing campaign for the region, at the right time, probably in winter 2020.
- The sector had several questions about whether they would qualify for aspects of support – as loans secured against their assets and there were anomalies including support for self-catering sector.

Workforce issues

- There was a potential for skills matching – the sector would need for agricultural workers, e.g., planting lettuces/picking fruit, and there might be an opportunity for that labour to come from those laid off in other sectors.
- The universal credit system was struggling to cope with demand although this pressure could be eased once the support for self-employed had been announced.
- Business organisations (SCDI) were working to identify where companies were looking to recruit staff responding to demand for products for NHS (producing PPE, producing hand-sanitiser, helping source chemicals, distilleries making available surplus alcohol).

Community and third sector

- The strength of our rural communities was a continuing feature, with help provided using social media and contact groups on WhatsApp.
- Third Sector Interface were co-ordinating volunteers e.g., to deliver food, prescriptions or help in other ways and SCVO - <https://scvo.org.uk/support/coronavirus>. The information hub was providing key information about third sector support, funds supporting communities and well-being important
- The sector continued to look for ways to tackle loneliness and isolation, including regular phone calls to vulnerable and those who would welcome the contact.
- The support package for the third sector was essential for their cashflow
- Furloughed third sector staff were now helping other community efforts – delivering Fairshare services and community resilience measures
- Digital inclusion was as important as ever in current circumstances with work to support “No One Left Behind Digital Scotland:COVID 19” taking place.

University and college sector

- International students had returned home.
 - Locally, staff were volunteering to help communities in Dumfries.
 - There would likely be a delay start of academic year, some courses start on-line which will impact on businesses in supply chain (including hospitality)
7. Russel Griggs thanked members for their insights. He said that many of these issues had been discussed at the Enterprise and Skills Strategic Board. SOSE’S interim Chief Executive confirmed that they would be shared with Government. He updated the Board on work to ensure that SOSE was contributing to the collective response in the South of Scotland. He explained that recruitment to build capacity was continuing. SOSE was engaging with national agencies to issue an open letter to business and an update to MSPs. The Board would consider SOSE’s response in more detail at its next meeting on 2 April.

SOSE LAUNCH ARRANGEMENTS

8. Karen Jackson, Director of Strategy, briefly outlined the arrangements for SOSE assuming its duties on 1 April. The launch would be done through a news release, highlighting go-live and emphasising that SOSE was open for business and working closely with national and local partners to add capacity to the collective response.

DATE OF NEXT MEETING

9. The next meeting would be on 2 April 2020.

ANY OTHER BUSINESS

10. As there was no other business, Russel Griggs thanked members for their participation and closed the meeting.

SOSE Board Secretariat – 31 March 2020