

## APPROVED MINUTE OF MEETING



[Note: This public minute excludes words or sentences removed in the interests or effective conduct of public affairs.]

## SOUTH OF SCOTLAND ENTERPRISE – BOARD MEETING

14 DECEMBER 2023

Stranraer Millennium Centre, 75 George Street, Stranraer DG9 7JP

<p><b>Board</b> Professor Russel Griggs OBE (Chair) Alistair Cameron Viv Cockburn Helen Forsyth Emma Guy Kirsten Hannay Jane Morrison-Ross, Chief Executive Duncan McConchie Lindsay McDowall Jeremy Sainsbury Paul Winstanley</p> <p><b>SOSE Senior Leadership Team</b> Anthony Daye, Director of Finance and Corporate Resources Karen Jackson, Director of Strategy, Partnership and Engagement Dr Martin Valenti, Director of Net Zero, Nature and Entrepreneurship</p> <p><b>Apologies Senior Leadership Team:</b> Bryan McGrath, Director of Place and Enterprise</p> <p><b>Scottish Government in person:</b> Scottish Government Officials – Regional Economic Development Division</p> <p><b>Scottish Government via MS Teams</b> Scottish Government Officials</p>	<p><b>Guests in person</b> Representatives from Stranraer Development Trust Representative from Scottish Development International</p> <p><b>Guests via MS Teams</b> Representative from Dumfries and Galloway Council</p> <p><b>SOSE Staff via MS Teams</b> Rob Davidson, Strategy Manager, Community Wealth Building Kevin Dickson, Economic Infrastructure Development Specialist – Net Zero Tracey Graham, Communications and Marketing Manager Lynne Kirkwood, Head of Performance Measurement and Pipelines Donna Marshall, Economic Infrastructure Manager Donna Mounce, Economic Infrastructure Development Specialist Kate Musgrave, Head of Enterprising Communities Sharon Ogilvie, Enterprising Communities Manager Ed Shoote, Economic Infrastructure Development Specialist Eilidh Todd, Community Development Specialist</p> <p><b>SOSE Attendees</b> David Ford, Head of Economy and Insights Nicola McArthur, Head of Finance Services Phil McCreadie, Head of Enterprise and Business</p> <p><b>Corporate Office</b> Linsey McGillivray, Board Secretariat</p>
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	Fiona Sköller, Corporate Support Administrator Heather Unsworth, EA to Director of Strategy, Partnership and Engagement
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## WELCOME AND APOLOGIES

1. The Chair welcomed Board members and colleagues to the meeting and apologies were noted as above. The meeting was declared as quorate.

## STRANRAER COMMUNITY TRUST PLACE PLAN

2. A representative from Stranraer Development Trust attended and provided the Board with a presentation on the development of the Place Plan. They informed of the website and Citizen space (digital democracy platform set up) and consultation outcomes. She also spoke of the oyster festival, the skiffle competition, the natural cultural project, being part of the Biosphere and pipeline projects such as the George Hotel creative hub, the water sport centre, the marina expansion and the SCAMP (Solway Coast and Marine Project) – marine research centre.
3. A representative from Dumfries and Galloway Council gave a strategic overview of the Council's involvement in support of the regeneration and reshaping of Stranraer and highlighted some of the future opportunities. Steve spoke of the gateways of opportunity for future economic growth in the South of Scotland, its natural assets, agricultural capacity and renewable energy potential.
4. The Board were appreciative of the plan, the partnership working, Stranraer Development Trust's unified community voice, consultation and vibrancy. Discussion included:
  - Indoor activity provision
  - Housing
  - Leadership and cohesion
  - The website, Citizen Space - the digital democracy platform to enable young people to engage and the continuity of that momentum of engagement
  - Solar power and green free ports
  - Sea grasses
  - The lack of jobs
  - Funded roles to deliver change
  - The recognition of the positive engagement with the SOSE team
  - The Isle of Man SW1 offshore wind project

Thanks were given for the presentations and interesting discussion.

## INWARD INVESTMENT/EXPORT

5. SOSE colleagues provided a presentation which gave context to the South of Scotland's ability to attract international investment, the support landscape and target sectors. Board members were informed of the process of handling inward investment enquiries to SOSE and that there was a good relationship with SDI.
6. Examples were shown to illustrate projects, business specialist involvement, the finding of premises, funding and those involved. There had been a significant increase in enquiries in various sectors. Those that failed were mainly due to lack of property availability.

7. The marketing and communications team was key and they continued to work on establishing a website, consistency of messaging, branding, and a campaign plan. The team work on a South of Scotland approach within Team Scotland and take the lead on the communications sub-group for the Regional Economic Partnership and overall strategy of the Regional Economic Strategy.
8. Key factors and challenges were summarised: the market, housing, contacts, land, sites, labour pool gaps, skills gaps and planning processes.
9. A representative from Scottish Government attended the meeting via MS Teams. They spoke of:
  - The strategic way SDI and SOSE work around trade export and inward investment
  - Formal governance being created as SDI work with HIE and SOSE collectively
  - Values based approach for how we export and for investment
  - Clear policy for free trade agreements
  - Export growth plan
  - Support of Chambers of Commerce
  - Inward Investment plan with opportunities around net zero, digital and high value manufacturing.
10. A representative from SDI, attended the meeting in person and gave an overview of SDI and their work to help deliver Scottish Government strategies of trade, investment and capital. They summarised achievements in the South of Scotland area over 2022/23 and also provided a list of examples of successful collaboration.
  - 181 Real Living Wage jobs
  - 5 Inward Investment projects
  - £17.23m planned international sales over the next 3 years
  - 6 new markets
  - 22 new products and services
11. The focus in 2023/24 was to drive ambition in export growth, deliver inward investment (prioritising energy transition, software and I.T. and space) and secure global investment. Challenges included budget, length of time for delivery and global factors and trends. SDI is committed to work for SOSE and the whole of Scotland, they wish to involve SOSE Board and requested help to be ambitious and to identify companies with ambition.
12. Discussion with the Board included:
  - Mergers and acquisitions
  - The defence industry
  - Research and Development centres
  - Importance of attending trade events and building links and networks internationally
  - Front end investment for inward investors and their supply chains – hosting well, introducing to contacts and the potential for a more structured approach to enquiries.
13. They informed that they would do all they could to project budget and will keep working with SOSE and SDI in a strong partnership on this inward investment journey.

The Chair thanked all for their presentations and attendance.

## DECLARATIONS OF INTEREST

14. There were no declarations of interest.

## BOARD INTERNAL MATTERS

15. SOSE Board members and Senior Leadership Team discussed the UK Board Apprentice Pilot and the compressed working week.

## MINUTE OF PREVIOUS MEETING AND ACTION LOG

16. The Minute of the meeting held on 12 October 2023 was approved.  
17. There was discussion around Action 83 Ecogenics – an update will be brought to Board in February.  
18. Reference was made to completed Action 138 and the promotion of the events calendar and entrepreneurial workshops. It was confirmed the marketing team had focussed plans on an entrepreneurial strategy.

<b>Decision</b>	The minute of the meeting held on 12 October 2023 was approved.
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## CHAIR'S REPORT

19. The Chair encouraged Board members to attend the cyber security course which was offered by Scottish Government to Board members. Board members were thanked for their responses to recent emails circulated seeking decisions on projects. The Chair informed of:
- Regional Land Use Partnership (RLUP) and consultations sessions.
  - Mountain Bike Innovation Centre (MBIC) in terms of the original preferred site and alternative option B. SOSE Audit and Risk Committee will look into the history of the expectation/hope.
  - Relationships with Scottish Borders Council continue to be good and work on the relationship with Dumfries & Galloway Council continues.
  - There were 6 South of Scotland winners at the Thistle Awards.

## CHIEF EXECUTIVE'S REPORT

20. The Chief Executive informed:
- Bryan McGrath, Director of Place and Enterprise was unwell, Phil McCreadie, Head of Enterprise and Business was present at Board and cover would be looked at going forward until Bryan's return.
  - Budget allocation – CE and Chair meet with the Director of Economic Development on 19 December. Modelling was being done on different scenarios and percentage cuts to manage and ensure protection and ring fence of delivery. Contingency plans would be looked at so as not to lessen ambitions: look at sources of funding, partnerships, delivery, using people and consultants.
  - Chair to meet with leader of D&G Council.
  - Inward Investment – lots of internal work has been done at SOSE on the appraisal process, communications and collaboration in all these areas and processes.
  - Sight of the investment report.
  - Working on green industrial strategy.
  - Positive development with Rowan Glen.
  - Good partnership engagement with Whithorn master plan.

21. Board discussion took place:

- Board members praised the visual story-telling on social media.
- SOSE continued to work closely with ReBlade around Chapelcross.
- C2C cycle funds – discussion around Scottish Government conditionality on Fair Work and exemptions. SOSE had to work within the rules and can only apply exemptions in certain circumstances on a case by case basis. If all other conditionality was in place and if one was not there had to be a clear, deliverable timeline for it. If the initial answer was “no”, SOSE would look at how they can further help.
- Ettrick Riverside office space – looking at making it more energy neutral.
- Workshop attendance numbers – Figures to be checked.(Workshop delivery 6, workshop attendees 8)

## FUNDING APPLICATIONS

The Board considered two funding applications.

*“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.*

## VERBAL UPDATES

22. Purchase of land Chapelcross – The Board were informed that the purchase of 6.5 hectares of land had been completed. Surveys and assessments were underway for infrastructure and SOSE were working with partners to create plots to generate jobs and economic activity. The SOSE team were commended for their perseverance to get this across the line and for their good relationship with Nuclear Decommissioning Authority (NDA) going forward.
23. In-year update projects funding – Lynne Kirkwood, maternity cover for Head of Performance Measurement and Pipelines attended to give Board members a sense of where SOSE have moved from strategic thinking to build performance measurement into action. The expertise and diversity within SOSE were commendable and it was important to capture that passion and expertise, not just data and the quantitative aspect, but to tell the story to understand the impact SOSE has had. Mission critical was capturing primary measures Board agreed in March. The dashboard power bi report captured forecast data against primary projects approved in-year. There was important collaboration within directorates and data was captured and being continually updated against 23/24 to validate and improve things going forward.
24. The next step was to look at non funding activity, expertise, mentoring, coaching – how to capture and show the real impact that SOSE has had through storytelling. Assurance was given to the Board:
- SOSE would be able to report against primary measures for 23/24 and its impact to systematically capture the story telling of the process.
  - SOSE would continually improve and renew information to help colleagues do their jobs.
  - Performance would back up the work done in terms of budget and could evidence.
  - 23/24 would cover an audit point to show progress.
25. Board members were appreciative of the work being done. There was further discussion about the sheer complexity and diversity of what SOSE delivered.
26. Board members enquired about interface with MySOSE and this would be captured – teams were speaking about not duplicating work.
27. It was suggested to ask customers about the impact of SOSE’s assistance– to close the continuous improvement loop and it may be that companies need more support which will

require more work and resource. Whilst communicating with those organisations it would be recommended to check if they are working towards Fair Work.

Contacting companies will not be an audit function it would be about building customer relationships and capturing trends, actuals and themes going forward. The Director of Finance and Corporate Resources expressed that it would be carried out by external audit rather than have two teams look at it.

28. Borderlands - The economic forum discusses inflationary pressures and money unused. There are inflationary pressures on the Mountain Bike Innovation Centre (MBIC) and there were continuing discussions on further financial support.
29. The interactive Board session on 18 January has come about because of a longstanding action to give Board members an insight into SOSE colleagues daily work. The day would allow SOSE to showcase business support and advisors and specialists. There would be live examples and an opportunity to hear from colleagues. A Board member will inform SOSE staff about the Board.

## LEARNING FROM OUR CHALLENGES

30. Board members learned of the constant learning and improving of the appraisal process for funding applications. A new appraisal form had been designed which had been well received by users and the funding panel. The form translated cleanly into the grant offer letter and also into Board papers.
31. The biggest learning had been to improve communication across the team and also communicate with customers – a process which ensured delivery of the information required to enable decisions to be made.

## FAIR WORK AND NET ZERO WITHIN SOSE AND CLIENTS

32. A paper was provided to Board explaining how staff had improved their confidence with the provision of guidance on how they explain Fair Work and Net Zero as part of their jobs. Board members were positive and look forward to seeing data on compliance and improvement of clients taking on the respective journeys. One organisation that had been offered funding decided not to take their grant forward. The penalty for non-compliance will be the prospect of paying the grant back. A timebound action plan will be in place with clients and this will be monitored.

## QUARTERLY UPDATE REPORT ON WAY FORWARD FOR BETTER BENEFIT FROM ONSHORE WIND

33. A paper had been circulated to Board members providing an update on progress with the Better Benefit from Onshore Wind project since the Board paper and presentation on 17<sup>th</sup> August 2003, and outlined next steps for the project. Board members were enthusiastic about SOSE's role in building capacity in communities and their help in facilitating action for community benefit.

## OPERATING PLAN

34. A paper provided SOSE Board with a progress update against the actions in the SOSE Operating Plan that they had requested for previous Board meetings. It was hoped that the template with RAG status format would make the report easy to use for Board members. This was the first version of the progress update and feedback was sought from Board on its useability to help in refining future versions.

35. The summary demonstrated good progress against delivery. Some areas of delay were highlighted in the report and there were some areas of reprioritisation.
36. Board members were pleased with the provision of the paper and it was requested to include this on each agenda as a standing item. It was also suggested to include in the operating plan some information on invisibility of support – capture of some things not backed by data e.g. time, money and resource spent on community benefit support, housing and the Regional Economic Partnership.
37. The Deputy Director Regional and Community Economic Development was interested in SOSE’s monitoring, evaluation and reporting and SOSE’s ability to substance what was evidenced and the progress made. To show good value it was suggested to quantify the value of people.

## FINANCE

38. The Director of Finance and Corporate Resources provided an update on finance and highlighted:
  - Typo first page £2m Ecogenics in the wrong column.
  - Good progress to high levels of commitment.
  - Good progress in pipeline work.
  - Confident that resource should balance by year end – meeting taking place to further look at this.
39. The draft Budget 2024/25 was provided to Board members with high level forecast budget and SOSE 5 Year Plan for Grant in aid forecast, Resource, Capital FT and Depreciation. The paper also illustrated budget themes and key milestone timetable.
40. The Director of Finance and Corporate Resources provided detail on possible scenarios, the good traction of the Net Zero Accelerator Fund, the increase to the Community Ambition Fund and the huge asset of SOSE staff. It is hoped to report on the benefit of staffing costs against outcomes and what is spent against our six A categories. The draft budget will be brought back to Board in February and March 2024.
41. The Deputy Director Regional and Community Economic Development gave thanks to SOSE teams for all their hard work and encourages evidencing the cost of expertise. There was discussion around the freezing of the trajectory for roles. Alternative ways have been sought e.g. sharing roles with Zero Waste Scotland.

## HEALTH AND SAFETY REPORT

42. A paper was provided to Board with oversight on the management of Health and Safety matters in SOSE. There were no reportable instances in the period – no near misses. The Board members will also be sighted on Health and Safety at the Mountain Bike site, Caerlee Mill going forward.

## A.O.B.

43. Cyber security will be further discussed at the meeting in February when more members have been through the training. A Board member will be appointed to represent cyber security.

Approved at Board on 01.02.24

44. A huge well done was given to all who were involved in the business continuity live scenario which tested the rigours and communications. Back-up systems in place were exemplary and there was exceptional work on IT.

## PAPERS FOR INFORMATION

45. UCI update - These papers illustrated what a success this event was on every level. The economic impact had been huge and there was an opportunity to look at inward investment for people to live and work in the South of Scotland. There was great evidence for the investment in the bike park and creation of a suitable event space and learning from communities.

Board members also noted:

- Minute of POD 28.09.23
- Board Forward Plan.

## DATE OF NEXT MEETINGS

- 18 January 2024 Interactive Board session, Cardrona Hotel.
- 01 February 2024 Board meeting, Dryfesdale Hotel.