

APPROVED PUBLIC MINUTE OF MEETING

SOUTH OF SCOTLAND ENTERPRISE – BOARD MEETING

(Note: This public minute excludes wording removed in the interests of effective conduct of public affairs.)

18 December 2025

Ettrick Riverside, Dunsdale Road, Selkirk TD7 5EB

<p>Board members in person Professor Russel Griggs OBE (Chair) Anna Austin Alistair Cameron Helen Forsyth Emma Guy Duncan McConchie Mary Thomson Paul Winstanley</p> <p>SOSE Senior Leadership Team in person Allan Harrow, Director of Business Enablement Karen Jackson, Director of Strategy and Insight Martin Valenti, Director of Investment and Sustainable Enterprise Donna Marshall, Interim Director of Investment, Business and Entrepreneurship</p> <p>Apologies Jane Morrison-Ross, Chief Executive Rory Christie</p>	<p>Scottish Government in person Scottish Government Officials – Regional Economic Development Division</p> <p>Scottish Government via MS Teams Scottish Government Officials – Regional Economic Development Division</p> <p>External guests in person Representatives of South of Scotland Destination Alliance (SSDA)</p> <p>SOSE staff via MS Teams Garry Legg, Head of Strategy, Planning and Partnerships</p> <p>SOSE Staff in person Nicola McArthur, Head of Finance Services Alex Stewart, Head of Sustainability Ed Shoote, Economic Infrastructure Development Specialist Mark Rowley, Strategy Manager, Tourism</p> <p>SOSE Admin Staff in person Claire Barrett, EA to Interim Director of Investment, Business and Entrepreneurship Linsey McGillivray, EA to Chair</p>
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WELCOME AND APOLOGIES

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

BOARD INTERNAL MATTERS

2. The note of the previous internal matters item at the meeting on 23 October was approved.
3. A separate note was taken of the Board internal matters items.

DECLARATIONS OF INTEREST

4. The Chair informed there were no declarations of interest.

MINUTE OF PREVIOUS MEETING AND ACTION LOG

5. The minutes of previous Board meetings were approved, and the action log was noted.
6. There was discussion about cyber security, and it was agreed to have a more substantive item at a future Board meeting to show how SOSE learns from unannounced cyber-attacks.

Decisions	The minutes of the undernoted Board meetings were approved: <ul style="list-style-type: none">• Minute of meeting on 23 October 2025• Minute of Ad-hoc meeting on 05 November 2025• Minute of Ad-hoc meeting on 27 November 2025 The Action log was noted.
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CHAIRS REPORT

7. The Chair reminded Board members to respond to the official invitation to the SOSE Parliamentary Reception. The link to register would be recirculated.
8. Board members were reminded of the Gifts and Hospitality Policy and to contact Allan Harrow if there were any queries.
9. A meeting would be held with Center Parcs before the festive break and the wider SOSE team would be meeting Scottish Borders Council (at the Council's request) to discuss implementation. The Board would be updated of progress.
10. The recruitment for the role of Director of Investment, Business and Entrepreneurship was underway with longlisting planned for January. The Board would have the opportunity to consider the final two candidates.
11. The Chair informed Board members that the process to recruit three new Board members had begun but it would be a long process. The Chair and the Sponsor Team would look at the practicalities of Paul Winstanley extending his Board appointment until the new members join Board.
12. Emma Guy had accepted to remain on SOSE Board for another term.

CHIEF EXECUTIVE'S REPORT

13. The Director of Strategy and Insight had shared the SLT Report.
14. There was discussion around the Biosphere (GSAB) and it was noted that there was a series of meetings with Scottish Government and Councils planned. The same budget (SOSE) was set for Biosphere for next year but after next year there would be no budget. It was recognized that UNESCO accreditation should be retained and the involvement of Visit Scotland, Forestry Land Scotland, NatureScot, SSDA and NFU was discussed.
15. It was noted that Star Caledonia would continue to receive advisory assistance from SOSE but no financial help.

STRATEGIC OPPORTUNITIES PROCESS

16. The Interim Director of Investment, Business and Entrepreneurship provided context to the shift of mindset to attracting investment, getting in early as an investor and shaping opportunities. SOSE were ensuring that resources and people were in place. It could be a lengthy process with a lot of time working on relationships and development. SOSE would also have focus on cluster building to ensure businesses fit hand in hand with existing businesses and benefit businesses and communities whilst attracting responsible investment in jobs and training.
17. SOSE's Head of Sustainability recapped on strategic opportunities in the region and SOSE's help to facilitate connections, help with practicalities and expertise.

18. Board members suggested:

- The requirement of five strong value themes for inward investment opportunities but to also be responsive to emerging opportunities (“wild cards”).
- To have a balance between proactive and reactive, and to encourage organisations to come to SOSE.
- To set in a national context.
- Shaping SOSE for the Future – to engage with staff, communicate and allocate future opportunities with staff to ensure real change is seen.

THE CARBON REMOVERS UPDATE

19. SOSE’s Head of Sustainability gave an update on The Carbon Removers (TCR) following investment in July this year. A loan had been provided to the company which would convert to equity. Fundraising would complete in March, and the company was working with a financial advisor.
20. The senior leadership team had been reshaped with a new CEO who was focussing on the fundraising process. The company was renegotiating their contract for Dry Ice at Crofthead.
21. TCR had a secondary Danish capture and store project and there were strong plans and progress on that.
22. SOSE’s Head of Sustainability was thanked for the update.

STRATEGIC PROJECTS UPDATE

23. Mountain Bike Innovation Centre (MTBIC) Full Business Case Approval
24. Board members were provided with a draft copy of the summary of the business case and also a full copy draft.
25. Board approval was sought to submit the MTB Project Full Business Case to Scottish Borders Council and then to the Borderlands Inclusive Growth Deal Board for final approval. (The draft Full Business Case had been reviewed by SOSE Audit and Risk Committee in October 2025.)
26. SOSE Board approval would signify that the Board had reviewed, acknowledged, and accepted the risks outlined in the FBC, and authorised its progression through the Borderlands approval process.
27. SOSE’s Economic Infrastructure Development Specialist attended Board to inform discussion.
28. Thanks were given to the Economic Infrastructure Development Specialist for all the work and for his response to queries raised at the Audit and Risk Committee (ARC).
29. It was requested that the Economic Infrastructure Development Specialist return to Board in February to have a longer conversation about the MTB Adventure Bike Park.
30. Center Parcs Update
31. The Interim Director of Investment, Business and Entrepreneurship gave a verbal update on Center Parcs which had secured unanimous planning permission on 8 December, alongside approval of the key byelaw decision – both major milestones.
32. The immediate focus was to secure Scottish Government funding for the enabling infrastructure – grid capacity, water, treatment works, A7 access, and broadband. The business case was with Government, and early signals from Ministers were positive. The budget decision on 13 January was critical.
33. If funding was approved, the case would go to the Competition and Markets Authority (CMA) for subsidy clearance, then to grant offer. Center Parcs aim for a Final Investment Decision in early February which will trigger procurement and mobilisation in spring 2026,

recruitment and supplier engagement ramping up in 2028, and opening planned for summer 2029.

34. Overall, this was a flagship, sustainable project that would deliver major economic impact and high-quality, year-round jobs for the region.
35. An update would be provided at February Board (as per previous action).

Decision	Board members were in agreement with the submission of the Full Business Case for MTB Project
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MONEY MATTERS

36. The Head of Finance Services gave a detailed report on the finance position in November and discussed the Draft Budget for 2026/2027.
37. Detail and comfort were provided to Board that the aim to land on budget was on track. Conversation was around challenges to budget settlement to resource and capital.
38. Board members were happy with the structure of budget and to maintain over-allocating.
39. There was discussion around market making, staffing, expertise, investment in training/people development consultancy and headcount.
40. The Head of Finance Services and Director of Business Enablement were thanked for their work, and the Financial Report was noted.

Decisions	The Board noted the Financial Report 01 April 2025 - 30 November 2025
	Board approved: <ul style="list-style-type: none"> The basis of the budget, along with the noted assumptions made. The continuation of an overallocation of up to £0.75m resource and £2.0m capital, this supports in year slippage, these figures will be adjusted pro-rata in line with any GIA decreases.

SOUTH OF SCOTLAND DESTINATION ALLIANCE (SSDA) FINANCIAL PLANS

41. The Chief Executive and Chair of SSDA attended Board to provide an update on tourism in the South of Scotland whilst referencing the impact of SOSE funding to help grow the value and increase growth targets of tourism.
42. The economic results had shown an increase of 33% in the value of tourism and an increase of 14% in related jobs. This was despite increasing costs to business, the highest energy costs, higher VAT and highest employment costs and difficult trading environment in Europe.
43. SSDA were working together with SOSE on a tourism strategy.
44. The SSDA Chair welcomed the opportunity to look at 2027 and beyond to a sustainable funding strategy.
45. Details of income streams were provided and SSDA were seeking a more equitable split between SOSE, Visit Scotland the Scottish Borders and Dumfries and Galloway Councils.
46. Visitor levies, membership levies and industry levies were discussed. 60% of SSDA members were still on the "free" membership level and encouragement was required to move to the £85 membership level.
47. The demographics were interesting and shoulder seasons were more activity visitors shooting, fishing, cycling and walking. SSDA do meet with Visit Scotland and the two Councils so there was a joined-up approach for big events (e.g. biking) to maximise visitors.
48. SSDA aspired to do everything in collaboration and in partnership to promote the South of Scotland and to encourage visitors to stay longer and explore further.
49. The CE and Chair of SSDA were thanked for their presentation and attendance at Board.

LUNCH BREAK

50. SOSE staff who presented papers in the past year attended lunch to network with Board members.
51. Attendees: Ed Shoote, Elaine Jackson, Jenni Fairbairn, John McDowell, Justin Orde, Kevin Dickson, Lynne Campbell, Mark Rowley, Michelle Skotzen, Paula Ward, Sarah Kenhard, Sharday Hislop and Sharon Ogilvie.

SSDA DISCUSSION

52. The Director of Strategy and Insight, Discover and the Strategy Manager, Tourism led discussion on SSDA going forward as SOSE budget was under pressure and resource was also under pressure.
53. Board members were supportive of SSDA and the valuable work it took forward in engaging with tourism businesses. It was not thought appropriate to bring "in-house" but it was suggested to work more closely with SSDA and with Council Visitor Economy teams to help SSDA to be more impactful. It was agreed that members should be encouraged to contribute financially and a visitor levy should be considered, but for Councils to understand that it was to be spent on marketing tourism and the hospitality sector (it was not an operational budget)
54. Suggestions included:
 - Using SSDA as a "source of excellence" – SSDA becoming SOSE's expert advisers on tourism
 - Consider SOSE staff secondment to SSDA.
 - Work with SSDA to explore a plan for future funding models
 - Look at potential difference business model for the SSDA and to find someone with the right skills to do this.
 - Explore whether there was an ask of Center Parcs to support SSDA (through Center Parcs commitment to community benefit).
55. All were in agreement to congratulate SSDA on their achievements and to work with them more closely on a business plan.

YOUTH ADVISORY FORUM UPDATE

56. The Director of Strategy and Insight and the Chair were meeting with a representative from Scottish Government's Youth Rural Leadership programme, and their discussion would be brought back to the Board.
57. SOSE's Head of Strategy, Planning and Partnerships joined Board via MS Teams and gave an overview of the Youth Advisory Forum (YAF), its focus and impact, areas of enhancement and the latest recruitment campaign.
58. The Forum continued to meet regularly and had recruited five new forum members (three in Scottish Borders and two in Dumfries & Galloway).
59. The Forum had input and had engaged with various themes including community involvement, tourism and hospitality.
60. Looking forward the Forum plan to develop a work programme for the year ahead, to create a communications plan and wished to have a future "meet the Board" event.
61. The Head of Strategy, Planning and Partnerships was thanked for his work in maintaining the YAF in the Youth and Employability Manager's absence.

HEALTH AND SAFETY REPORT

62. The Health and Safety Report had been circulated to Board members for information, and it was formally noted.

Decision	The Board noted the Health and Safety Report
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A.O.B.

63. David Ford, Head of Strategy had retired, and following a recruitment process Isabel Conway was appointed as the new Head of Strategy.
64. A Board member advised that if SOSE became advisors and were market making then to ensure that SOSE did not provide financial advice (as professional indemnity insurance would not be available) and this was to be worded appropriately.

PAPERS FOR INFORMATION

65. The undernoted papers were provided for information:
- Performance Measurement Targets
 - Forward plan
 - Approved Minute of ARC 14.10.25
 - Approved Minutes of POD 18.06.25 and
 - Ad Hoc POD on 05.08.25

DATE OF NEXT MEETINGS

66. 26 February 2026 – venue to be confirmed.