

230518 (85) FOI Funding to Laggan Outdoor Ltd

From: [Freedom of Information](#)
To: [REDACTED]
Cc: [Freedom of Information](#)
Subject: Freedom of Information Request
Date: 13 June 2023 15:47:00
Attachments: [REDACTED]

Dear [REDACTED]

Thank you for your request of 28 May 2023 and your clarification email received on 7 June 2023. Your request has been considered by South of Scotland Enterprise (SOSE) under the Freedom of Information (Scotland) Act 2002 and we are pleased to provide you with the following information.

FOI REQUEST:

The recent article in the Galloway News: [Gatehouse hotel work falls foul of Dumfries and Galloway Council red tape - Daily Record](#) states that Laggan Outdoor Ltd bought the Murray Arms Hotel and SOSE provided £200,000 funding for the "buying and upgrading of the hotel" which will create an "15 additional jobs". This raises three questions that I think need answered:

1. Why won't you acknowledge that there was a Conflict of Interest in respect of the grant award to Laggan Outdoor Ltd, when one of the directors is a board member of your organisation.
2. Considering that the Murray Arms project is not in possession of either Listed Building Planning Consent or a Building Warrant why has SOSE provided the owners of Laggan Outdoor Ltd with £200,000 from the public purse towards the buying and upgrading of the hotel? (Contrary to paragraph 2.1.5 of your [general-terms-and-conditions-of-grant-january-2022.pdf \(southofscotlandenterprise.com\)](#)).
3. How can you justify that 15 additional jobs will be created in a 14-bedroom hotel that is not open to non-residents.

SOSE RESPONSE:

1. SOSE's "Delegated Authority Policy" was followed in the decision-making process, as was our "Conflict of Interest Policy" and SOSE standard appraisal process. The SOSE Board and Board members were not involved in any part of the decision making process for this grant. There were no conflicts of interest.
2. SOSE's award to Laggan was for a contribution to the purchase of an asset, and therefore our grant was for that specific capital purchase. Consents are only required, if necessary, where they are part of the conditions of grant which was not the case in this particular award. The general terms and conditions that you reference are so that SOSE may seek to rely on, but not necessarily invoke for each grant in every case, as they are not always applicable. As this grant was a

contribution to the purchase of an asset, that condition was not applicable.

3. The number of jobs to be created is not directly linked to the number of bedrooms in the hotel. The number of jobs was based on the number of hospitality and support staff required to run the hotel and support the wider business.

You have the right to request a review of the way in which this request has been processed. Should you wish to exercise this right, you will need to contact us within 40 working days of receipt of this email.

If you remain dissatisfied on completion of the review, you have the right to appeal to the Office of the Scottish Information Commissioner and thereafter to the Court of Session on a point of law only:

Scottish Information Commissioner

Kinburn Castle

Doubledykes Road

St Andrews

Fife

KY16 9DS

Telephone: 01334 464610

<http://www.itspublicknowledge.info>

or for online appeals:

www.itspublicknowledge.info/Appeal

Regards,

SOSE Corporate Relations



<https://carbonliteracy.com/>

www.southofscotlandenterprise.com