



APPROVED MINUTE OF MEETING

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

SOUTH OF SCOTLAND ENTERPRISE – BOARD MEETING

01 FEBRUARY 2024

Dryfesdale Hotel, Lockerbie, DG11 2SF

<p>Board Professor Russel Griggs OBE (Chair) Alistair Cameron Viv Cockburn Helen Forsyth Kirsten Hannay Duncan McConchie Lindsay McDowall Jane Morrison-Ross, Chief Executive Jeremy Sainsbury Paul Winstanley</p> <p>Board Apprentice Zoe Greenfield</p> <p>Apologies Emma Guy</p> <p>SOSE Senior Leadership Team Anthony Daye, Interim Director of Place and Enterprise Allan Harrow, Interim 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>Apologies Senior Leadership Team: Bryan McGrath, Director of Place and Enterprise</p>	<p>Scottish Government Scottish Government Officials – Regional Economic Development Division</p> <p>Guests in person Representative from South of Scotland Destination Alliance (SSDA)</p> <p>SOSE Staff via MS Teams Elaine Jackson, Business Development Specialist Jan Pringle, Enterprising Communities Manager</p> <p>SOSE Attendees Garry Legg, Head of Strategy, Planning and Partnerships Mark Rowley, Strategy Manager - Tourism</p> <p>Corporate Office Linsey McGillivray, Board Secretariat Fiona Sköller, Corporate Support Administrator Heather Unsworth, EA to Director of Strategy, Partnership and Engagement</p>
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WELCOME AND APOLOGIES

1. The Chair welcomed Board members and colleagues to the meeting, especially welcoming the Board Apprentice to their first meeting, representatives from Scottish Government, the Interim Director of Finance and Corporate Resources to his first meeting and to the

Interim Director of Place and Enterprise in his present role. Apologies were noted as above. The meeting was declared quorate.

2. The Board Apprentice introduced herself and informed of her experience in charity and community work, media development and ethics.

BOARD INTERNAL MATTERS

3. SOSE Board members and Senior Leadership Team discussed:
 - The Scottish Government working week pilot
 - Signposting of events
 - The internal employer Fair Work assessment tool
 - Business Gateway
 - Cyber security
 - Being bold

Decision	The note of the internal matters from the previous meeting held on 14 December 2023 was approved.
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DECLARATIONS OF INTEREST

4. It was noted a friend of Board member Kirsten Hannay's was a trustee of Paxton House. It was agreed this was not a conflict of interest.

MINUTE OF PREVIOUS MEETING AND ACTION LOG

5. The Minute of the meeting held on 14 December 2023 was approved.
6. Action Log updates:
 - **Action 83 - Ecogenics update:** Information for refinance project was not submitted for deadline of 24 January. A renewed request was received for a loan and due diligence was being completed on information before getting back to Board - hopefully before the end of February 2024.
 - **Borders Innovation Park:** At the last meeting there was discussion about the value for money on the cost of the road access project. Discussion had taken place with Scottish Borders Council and assurance was received on public sector procurement and best value.

Decision	The minute of the meeting held on 14 December 2023 was approved.
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CHAIR'S REPORT

7. The Chair informed Board members of recent meetings:
 - Housing - significant work was progressing, including a positive meeting with Scottish Government and the Improvement Service. The group was developing an action plan for the full REP to consider at its March meeting. SG offered to explore the potential of Ministerial involvement in the launch when ready. The Scottish Government representative agreed to follow up on Ministerial involvement in the plans launch-potentially in May.
 - Housing - a meeting was held with Scottish Borders Housing Association with discussions focussed on the financial challenges and risks for RSLs building private as

well as social affordable homes, including exploring how SOSE and/or Scottish Government could potentially help mitigate risk.

- National Park for South West Scotland - following a positive meeting with the Galloway and South Ayrshire Biosphere and the Galloway National Park Association, both had agreed in principle to submit a joint bid for a park in SW Scotland.
- Board member roles were confirmed: Paul Winstanley as Cyber representative and with Lindsay's departure Emma Guy will become Whistleblower representative.

CHIEF EXECUTIVE'S REPORT

8. The Chief Executive informed Board of the following points:
 - Staffing - Headcount still frozen, we are not looking to backfill vacancies, except by exception.
 - Taking every opportunity to leverage additional expertise and capacity in the South of Scotland.
 - Foster of Partnerships - focus on key partnerships such as NatureScot, Techscaler, Codebase.
 - Homes for Good - securing offices in Dumfries and resource had been recruited to work on the private rental sector pilot.
 - NSET portfolio Board - NSET reset and refocus was underway - very positive for SOSE who were in a good position to work to the 4 pillars.
 - Arla - a site visit took place with D&G Council - £40m investment to Lockerbie and creation of 90 jobs. Stuart Thomson had done an exceptional job and deserved additional recognition for his work.
 - Mapping was underway for the key organisations SOSE works with and letters would be sent to 200 companies informing of SOSE named individuals as contacts for additional focus on customer relationship.
 - A new SOSE staff forum had been created with a rebranding competition, new ethos and focus. The work to shape the forum was led by SMT and a cross directorate communication group.
 - AI and automation - a positive meeting had been held with HIE and SE to build demand and leverage support for organisations that want to use these tools in a targeted way.
 - SOSE was in line to be the first non-departmental public body (NDPB) in the new cohort of the new pathways project on women entrepreneurs.

FUNDING APPLICATIONS

9. The Board considered one funding application.

"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.

FINANCE UPDATE REPORT AND FINAL DRAFT BUDGET 2024

10. The Finance Report and Final draft Budget 2024/25 were circulated for approval.
 - The Interim Director of Finance and Corporate Resources highlighted areas of income forecast, areas of resource and the prioritisation of capital expenditure.
 - The Finance Team and Senior Leadership continued to manage and monitor processes to ensure we come in line with our budget allocation.
 - An error in the resource figure on page 3 was corrected verbally.

- Staffing costs had been discussed earlier in the meeting.
 - Pipeline projects and the capture of pipeline data was improving with the use of the Power-bi tool and further information on this will be brought to Board in June.
11. It was noted that the pressure was less than last year, and the Interim Directors of Place and Enterprise and Finance and Corporate Resources were praised.
12. There was further discussion around the following:
- Pension adjustment.
 - Biosphere and SSDA and future budget and support for these in their last year of formal funding.
 - Voluntary and early retirement options.
 - People – staffing, skillsets, the capture of skills that could be used more effectively. – Bring to Board in June.
 - Director of Economic Development was in Parliament the day before and he thanked SOSE for responding to Budget information.
 - Resource spending and capital spending (concern about general slippage).
 - The Interim Directors of Finance and Corporate Resources and Place and Enterprise are comfortable with the present position and will look at Voluntary Severance/Early Retirement (VSER) Scheme as a tool for future.

Decision	The Board noted the Financial Report and approved the Final Budget 2024/25
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OPERATING PLAN – DEVELOPING PLAN FOR 2024/25

13. SOSE’s Head of Strategy Planning and Partnerships attended the meeting to reflect on the structure of the Operating Plan and its key themes. Context and background were provided building on the approach taken in previous years. Next financial year’s plan would be a stand-alone document, capturing activity to deliver on SOSE’s Five Year Plan.
14. Discussion points:
- Strengthen links to the SOS Regional Economic Strategy – to note the work SOSE was driving forward, as a demonstration of SOSE’s positive collaborations.
 - Clarify what was meant by Crisis support of 3rd Sector to ensure there was no overlap of roles. There was discussion around the potential reword to Social Enterprise rather than 3rd Sector.
 - Ensure that there SOSE’s integrated work with the Regional Economic Partnership was drawn out.
 - Structuring the document around SOSE’s 6As felt the best approach.
 - The document was sharp and clear about SOSE aims and priorities.
 - There was an opportunity to draw out more clearly the key themes.
 - One member highlighted concern about the timeline and felt it was important to published sooner than June – the team would reflect further on what was possible.
 - There could be more mention of Net Zero and Natural Capital to give balance.
 - The plan needed to be relevant to different sectors – e.g. those working in agriculture needed to see how SOSE could impact for them.
 - Potential to include some reflection on what has already been achieved, complementing what will be in the Annual Report.

HOW WE MAKE A DIFFERENCE – SUSTAINABLE TOURISM PROJECT

Forest Holidays

15. A Business Development Specialist attended to give a presentation on Forest Holidays, its eco cabins, associated infrastructure, the development benefits from the beauty of the area and its attractions and events.
16. Thanks were given for the presentation and discussion was around:
 - Health and safety and the distance of and stability of trees.
 - Working closely with Forestry and Land Scotland and the onsite manager and ranger.
 - The passion and enjoyment of the project.
 - The business going to local business contractors in the South of Scotland and some in East Lothian and the jobs that have been created.
 - Community support, new bike track creation, local jobs, suppliers and contractors are seeing financial benefit and positive impact.

SUSTAINABLE TOURISM

17. The Director of Strategy, Partnership and Engagement introduced a representative from South of Scotland Destination Alliance (SSDA) who shared an update on the responsible tourism strategy, including the significant engagement across the region that had shaped the emerging strategy. The process had been led by SSDA, VisitScotland, the two Councils and SOSE and was a powerful demonstration of collaboration, that had been supplemented by an advisory group to bring challenge to the process. The document was being finalised with a series of follow-up engagement events to be presented to the REP in March. The strategy would be accompanied by a three-year rolling action plan, clarity on who was responsible for delivery actions, and that plan would evolve.
18. The Board welcomed the strategy and its ambition for the sector. The following points were highlighted:
 - The strategy would form part of the SSDA Conference on 20 March
 - There was an opportunity to inspire young people to stay in the South of Scotland - to make hospitality and tourism a good option - complemented by the right skills training.
 - Creating the South of Scotland as a year-round destination - required a mindset change.
 - South of Scotland tourism businesses had been very successful in the recent Thistle Awards, including winning the Silver Thistle, and this demonstrated the quality of the businesses already operating in the region.
 - Public transport remained a challenge.
 - There was an opportunity to celebrate 21st century attractions such as:
 - East pier Stranraer - cruise ships, Scottish/Irish ancestry, create a national flagship attraction.
 - Burns Alive Dumfries.
 - Early Christian story Whithorn.
 - Walter Scott.
19. The SSDA representative gave a brief overview of the work of the SSDA, highlighting the impact it was having, as well as the digital tools it offered (through its website and app). They described a change in ethos and its targeted marketing activity.
20. Suggestions discussed:

- To include the renewable sector to enhance visitor experience – guiltless holidays.
- To look at network opportunities – to provide an experience that involves more than one supplier and pay one price (although there may be legislative and insurance challenges.)

UPDATE ON REGIONAL ECONOMIC PARTNERSHIP ACTIVITY

21. SOSE’s Head of Strategy Planning and Partnerships reported to Board on the activity of the Regional Economic Partnership (REP) and SOSE’s supporting role in that.
- The REP brings a diverse range of expertise and interests to make SoS best place it can be.
 - The REP was currently being chaired by Professor Russel Griggs.
 - The first time REP members came together in person was in March 2023, and members had a shared enthusiasm about the region. The REP had identified three main priorities – grand challenges – to focus on as a collective over the next two years.
22. Housing – a sub-group of REP was established and there was lots of engagement with developers, infrastructure, registered social landlords and invaluable discussions have taken place. The aim is for the development and launch of a regional housing action plan in March.
23. Transport – slower to get going as lots of effort went into housing sub-group established co-chaired by the two Councils. Terms of Reference are in place and clarity is coming around objectives.
24. Skills – Education and Skills Strategic Co-ordination group had been focussed around mapping, gapping, and how best to support construction skills and transition to net zero – retrofitting etc. This would help tackle increasing capacity in the region.
25. Delivery plan – REP was responsible for launching the economic strategy accompanied by a delivery plan with 47 actions which was now being reviewed to refocus the plan to a smaller targeted number.
26. Discussion points:
- Recognition of SOSEs contribution to REP – which included hosting the secretariat function with two jointly funded posts, as well as key Strategy, Partnership and Engagement colleagues driving forward the agenda. The Director of Strategy chaired a weekly “Team South of Scotland” call with the two Councils, Skills Development Scotland and VisitScotland to ensure alignment and momentum in delivery. More could be done to capture SOSE’s input and impact.
 - The REP was a good example of alignment and collaboration and had brought SOSE and Council staff together looking at effective use of resources.
 - Housing was one area where the REP had delivered activity that would not otherwise have happened. REPs were part of the public reform landscape moving forward.
 - REP, RLUP and Place Plans – getting trust back and can deliver good outcomes for communities.

Decision	The Board noted the focus of the Regional Economic Partnership activity and endorsed SOSE’s role.
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FLEXIBLE WORK WEEK PILOT UPDATE – FIRST EVALUATION

27. The flexible work week pilot was discussed in earlier item Private Matters.

HEALTH AND SAFETY REPORT

28. A paper was provided to Board with oversight on the management of Health and Safety matters in SOSE.
29. Board members were assured that during flexible working there is sufficient cover for health and safety and fire marshalls through Operations Management at Etrick and through the Trust and SOSE's management at Carmont.

A.O.B.

30. Formal thanks were given from the Chair to Lindsay McDowall for her time on the Board. She will be missed deeply, her knowledge of the 3rd sector and what that brings and the peculiarities that the Board needed to understand was invaluable. The 3rd sector is an important part of our life in the South of Scotland and lots of Place Plans are run by volunteers in the 3rd Sector. We welcome Zoe Greenfield's input on the 3rd sector in the coming year.

PAPERS FOR INFORMATION

31. Board members noted:
 - Operating Plan Progress document.
 - Board Forward Plan.

DATE OF NEXT MEETINGS

- 21 March 2024 - Borders
- 02 April 2024 6pm SOSE Board and Youth Advisory Forum