



Operating Plan

2021/22

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The South of Scotland Our Region



Foreword

No-one could have predicted the challenges we have faced over the last year.

Throughout our initial year of operation, we tried to balance those who need immediate help and support as well as those businesses and communities creating opportunities for the future. We have also started to make some bold decisions on key strategic partnerships as well as taking forward important work to develop a long term ambition for the future of our region.

I think we can all be proud of what we have achieved since we were established on 1 April 2020. All of us know there is also much more both we and you can and will do, and this Operating Plan sets out our priorities for the year ahead – making clear where we intend to make a difference working in partnership with businesses, communities and those who are active across the South of Scotland.

Our team has grown to over 80 incredible people and our collective vision remains true ‘to establish the South as the centre of opportunity, innovation and growth.’

Now, more than ever, we need to continue to deliver upon our core values of being bold, striving, inclusive and responsible and we will do so working with everyone in the South with all our hearts.

We continue to strive to develop the leadership role we need to have for all of us as a voice for the South.

We have, and will continue to engage with, businesses and communities who so far have helped us follow our journey, and created the achievements that have formed the basis for the announcements we have made and without whom would have not allowed us to have the momentum, drive and ambition we have all brought to our region.

While we have made some big investments, we would never want to lose sight of the smaller scale and other support which is equally as important. In many cases that small amount of help or support leads to an impact far greater than would be imagined, so is something we are proud of and we will continue to make sure we do.

We, on our own, or in many cases with our partners continue to build important relationships with stakeholders – locally, nationally and indeed internationally – to maximise the potential of our area both today and in the future, and make sure we do what is best for the South.

Showcasing the South of Scotland and the people, businesses, and communities that drive it is key; which is why getting those messages and stories - not just of those we help - but others as well is critical, and we firmly believe that this can support the region as it comes out of this pandemic and look towards a positive future.

This includes enabling entrepreneurship, supporting our young people, creating jobs, attracting businesses to set up here, encouraging innovation, working with communities, rolling out Fair Work and supporting and promoting the wonderful environment and landscape we live in.

Underpinning all we do will be a focus on enabling a Just Transition to Net Zero, achieved by reducing the amount of greenhouse gases and enhancing our natural assets to store existing carbon, as Scotland moves to significantly reduce its emissions by 2030 and net zero emissions by 2045. In the year when Scotland hosts the international COP26 conference in Glasgow in November, we are determined to use this as a catalyst to create a legacy of positive action in the South of Scotland.

Our aim has always been to become the development agency that the South of Scotland has always wanted and not just a funding agency and I think our first year has shown that in practice.

To do that we must continue to be seen as an Agency which is flexible, adaptable and skilled in also providing support and expertise of all kinds to anyone who may need it to achieve their objectives. The people of the South of Scotland wanted us to be different and not here to do what might be 'expected' or has been done traditionally, but more to always consider individual situations and solutions as well as seeing the bigger picture.

Our message to everyone remains – **come and talk to us.**

We are very proud of our achievements to date but are firmly focused on the future and our ongoing plans to listen, be innovative, different and deliver for the South of Scotland.

We look forward to the year ahead and truly believe that 'Success Starts Here' in the South of Scotland.

Professor Russel Griggs OBE
Chair, South of Scotland Enterprise

Jane Morrison-Ross
Chief Executive, South of Scotland Enterprise



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Who we are

South of Scotland Enterprise, SOSE for short, is a new, dedicated economic development agency, established by the Scottish Government, for the South of Scotland. We have been established in direct response to the unique economic opportunities and challenges facing the South of Scotland, and we are here to lead the delivery of a fresh and locally focused approach required to succeed in responding.

Our aims

Our twin aims, as set out in legislation, are to further the sustainable economic and social development of the South of Scotland, and to improve the amenity and environment of the South of Scotland.

Our vision

Our vision is to drive inclusive growth, increase competitiveness and tackle inequality within the region. We want to establish the South of Scotland as a centre of opportunity, innovation and growth.

Our mission

Our mission is to work together with people across the South of Scotland to grow its economy in a just and sustainable manner. We will provide investment, expertise and mentoring to people and businesses and by doing so, we will inspire the region to think bigger and unlock the great potential of the South.

Our board

Our Board has a broad range of knowledge and experience and is chaired by Professor Russel Griggs OBE, with the organisation being led by our Chief Executive, Jane Morrison-Ross.

You can meet our Board at **Appendix A.**

“for the South, by the South and in the South”

Our Values...

...are at the heart of all we do. They have been shaped by a process of collaboration and are grounded in an understanding of the South of Scotland and its needs. We will be...

...Inclusive

- Collaborative, long term.
- Building trust, bottom up not top down.
- Supporting diverse thinking from diverse communities and business.

...Responsible

- We do what's right for communities and the planet.
- We are honest, transparent and straight-talking.
- We champion the South; its people, communities and businesses.

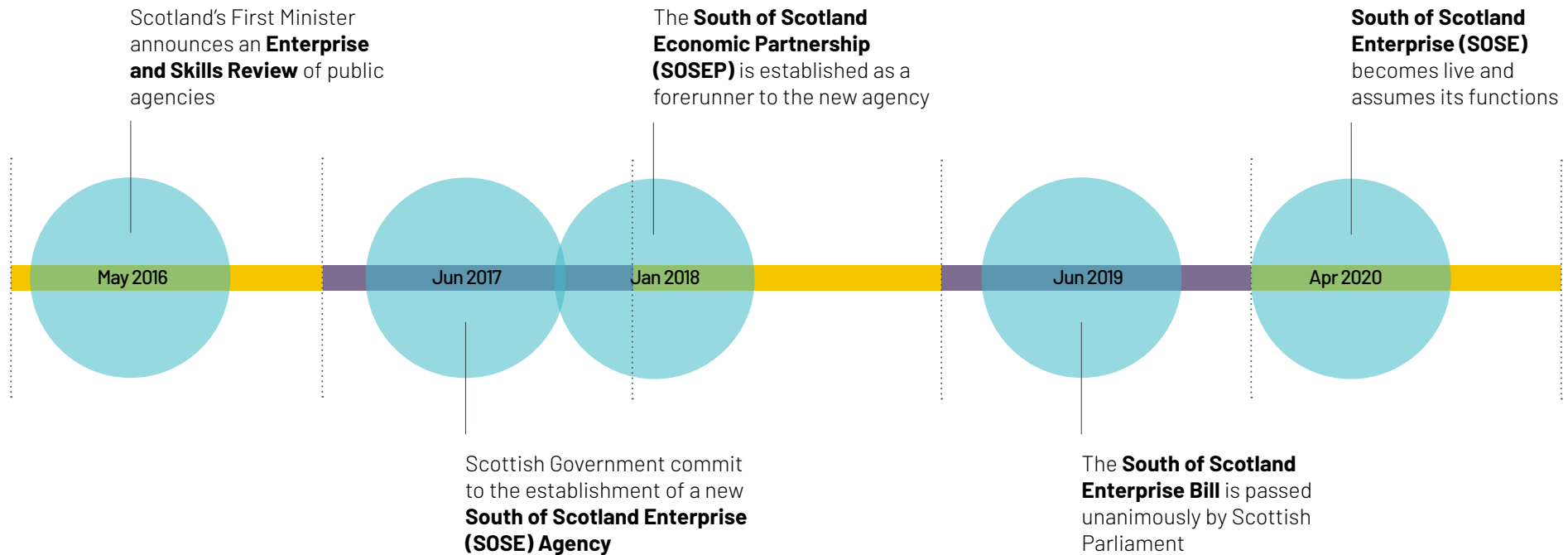
...Bold

- Open-minded, creative, lateral.
- Optimistic, pioneering and ambitious.
- Aiming high, providing hope and encouragement.

...Striving

- We take pride in all that we do.
- We never give up, we fight for what's right.
- We challenge ourselves to always be better.

Our story – How we got to be here



The Enterprise and Skills Review:

- recognised a need to do things differently in the South of Scotland and recommended the creation of a new public body to bring a fresh approach, with a clear focus on place
- Led to the establishment of an Enterprise and Skills Strategic Board through which SOSE and Scotland's other enterprise and skills agencies align and coordinate their activities

The South of Scotland Economic Partnership:

- attended over 200 town hall meetings and consultation events, listening directly to the needs and desires of the region's businesses and communities
- directly supported 56 local business and community projects

The SOSE Act says we:

- must further the sustainable economic and social development of the South and improve the environment
- must promote fair work

How we are different

“
...committed to promoting the economy in its widest sense - championing the South of Scotland's communities, people, environment and jobs
”

“
...driven by a Board comprised of people who know, understand and are passionate about expanding the appeal and offer of the South of Scotland
”

“
...much more than just a voice at the end of the phone - we want to be on the journey with those who need us, working side by side in engaging, coaching, mentoring and empowering them - enabled by our presence here in the South and our flexibility to tailor our support to fit you
”

“
...here for the long-haul, recognising that to build upon our strengths and to develop the economy we want will not come overnight
”

“
We have been established to bring a fresh approach to making things happen in the South.
We are...
”

“
...passionate about promoting 'fair work' across all that we do which was central in the legislation which set us up and ensuring that we understand and respond to the needs of those working across the South of Scotland, including through our Workers' Interest Committee
”

“
...committed to working with businesses, organisations and people on an ongoing and not just project by project basis, understanding and looking at how we can empower them to achieve their ambitions
”

“
...place-based - this means working with and across an entire community (in its broadest sense), understanding the roles and responsibilities of all who can and want to contribute, and ultimately to make a positive difference
”

“
...a new and louder voice for the South, advocating for what we need based on our understanding through listening to people of what is required
”

“
...alive to the need for timely and responsive decision making, recognising the fast moving environments many of our businesses and organisations operate in
”

CASE STUDY

Enabling growth and job creation

SOSE has provided £4.8m in funding (our largest investment to date) to support Scottish PPE firm Alpha Solway, create over 300 jobs and apprenticeship opportunities at a new Dumfries manufacturing centre, and expand its operations in Annan.

Our investment is in addition to Alpha Solway's total investment into the Dumfries and Galloway region of more than £33 million and it shows SOSE's commitment to secure the long-term future of manufacturing in the South of Scotland.

The establishment of the new manufacturing hub and a centre of excellence for PPE will not only create and sustain many new jobs in the region but will inspire the South of Scotland to think bigger and more innovatively.

Ultimately, we hope this investment will secure a Scottish-owned base to manufacture PPE for Scotland, UK, and international markets.



We said, we did...

Our previous Operating Plan set out that our immediate priorities across our first year were:

1. Recovery from COVID-19;
2. Developing Our Ambition for the Region; and
3. Developing our Organisation

In responding to these, our headline achievements include having:



launched and successfully established SOSE as a new agency in the midst of a global pandemic



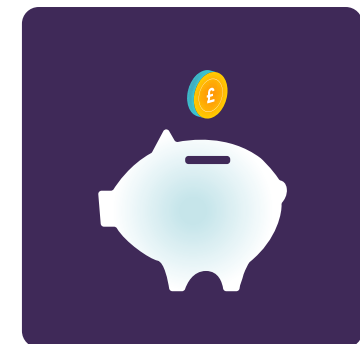
grown our staff count to 85 – **increasing our capacity and capabilities to help more businesses and communities** across the South of Scotland



helped influence the award of a total of c.£14.6m to 455 businesses in the South through Scottish Government COVID-19 funds



provided tailored one to one advice and support to over 700 businesses, communities and projects, aiding them to innovate, strengthen and grow



established 5 of our own funds:

- **awarding c.£11.7m to 172 organisations**
- helping **sustain 88 businesses** preparing them for recovery;
- **safeguarding or creating 3,700 jobs;** and
- **investing £8.9m** in capital assets and projects.



provided the leadership and vital support needed, working closely with the region's two councils, to **establish the South of Scotland Regional Economic Partnership (REP)**



played a lead role in directly supporting the development of the **South of Scotland's first ever Regional Economic Strategy**



published **'Have Your Say'** - a framework making clear how we will engage the people who live, work and operate across the South of Scotland



provided a voice for and championed the South's interests, responding to 10 national consultations on a range of topics important to the South



led in better understanding a number of significant regional opportunities, including the work of the **South of Scotland Energy Transition Group** and our **Natural Capital measurement approach**.



led by example in being a 'fair' employer, engaging with, supporting and empowering our staff to drive positive change across the South of Scotland, in the face of adversity.

CASE STUDY

Supporting the Environment and Sustainable Communities

The Galloway and Southern Ayrshire UNESCO Biosphere (GSAB) was a first for Scotland, in international recognition of the fantastic array of landscapes, wildlife, cultural heritage and learning opportunities that SW Scotland offers for businesses, communities and visitors to experience and celebrate. The Biosphere is home to 95,000 people who want to make life better while caring for the natural environment.

In demonstrating our commitment to long term collaboration to support the environment and sustainable communities, SOSE is providing five years of funding to GSAB, totally £1.9m. This funding will provide valuable support to help the organisation develop, strengthening their standing as a key influencer in the region and helping them achieve their sustainability ambitions.

The funding will create full time jobs to allow GSAB to pilot new ideas and ways of working to foster a sustainable economy and society. Together, the activities of GSAB support communities to promote cultural heritage and tourism opportunities, whilst contributing to individuals health and wellbeing; a more integrated approach to land use that benefits the rural economy, biodiversity, climate change and local communities and help businesses market their sustainable products and services to a growing market.

Our Southern Star

Over the past year SOSE has, working closely with Dumfries and Galloway and Scottish Borders Councils, provided the leadership and vital support needed to establish the South of Scotland Regional Economic Partnership (REP). The REP brings together a wide range of organisations, sectors and groups who are based in, or work across the South of Scotland, around a shared ambition to secure and enable inclusive and sustainable economic growth across the region.

The REP's immediate focus is on producing the region's first ever Regional Economic Strategy (RES), which will set out a clear and long-term vision for the future economic direction of the South of Scotland – our 'Southern Star' for all to aim towards.

Development of the strategy has built on the significant work undertaken in the lead up to the formation of SOSE. Extensive additional, inclusive and wide-reaching engagement also took place between February and April, ensuring that those who live, work and operate across the South of Scotland have been able to have their say on what the longer-term priorities for the region should be.

Early engagement findings have reaffirmed that the South has competitive advantages owing to its strategic location in the centre of the UK; the quality of environment and natural assets; sectoral strengths in agriculture, forestry, manufacturing and human health; and that the region possesses a strong sense of identity and community pride.

Looking to the future, there are obvious economic opportunities associated with:

- our natural assets in supporting the just transition to net zero, the green economy and for outdoor recreation and tourism;
- green energy and the roll out of infrastructure, products and services needed to decarbonise our homes, working practices and travel – with the region well placed to lead the way;
- the regions cultural wealth and creative vibrancy;
- creating a stronger care economy; and
- digitalisation.

The biggest headline challenges remain that the region needs to retain and attract more working-age people and the transport challenges created by our rurality.

Consultation on the draft Regional Economic Strategy will take place over Summer 2021, with a final version published later in the year. Once in place, the strategy will help shape the actions of individual partners, ensuring greater co-ordination of resources and capabilities to deliver the outcomes we all want to see.

Arriving at Our Priorities for 2021/22

Our activities are underpinned by the South of Scotland Enterprise Act 2019, that recognises to realise the full potential of the South of Scotland, our actions need to be directed across a wide range of activities. Applying a collaborative and place-based approach to develop our region, we are:

- Supporting business and community development and streamlining their route to funding, markets and success;
- Showcasing the South of Scotland and the people and businesses that drive it;
- Building and enhancing relationships with businesses and communities and providing access to specialist services and advice; and
- Taking forward our leadership role amplifying the voice of the South.

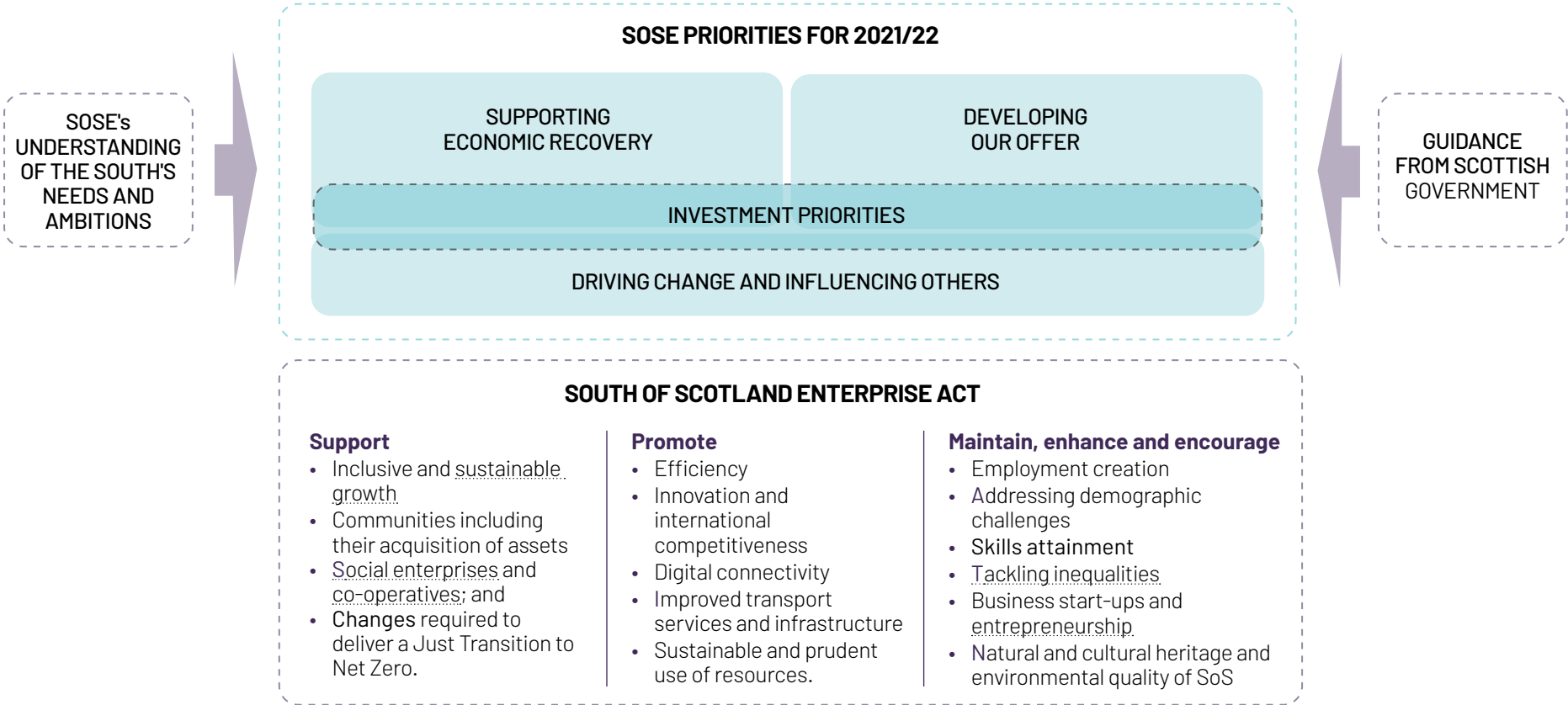
Our interim annual strategic guidance letter from the Scottish Government emphasises that SOSE needs to be responsive in the face of changing circumstances as we recover from COVID-19, ensuring a strong focus on business and community resilience. Our recovery is to be led by green growth and the promotion of fairness and wellbeing.

The Scottish Government expects us to invest and develop longer term opportunities and to:

- Work collaboratively with the Enterprise and Skills Strategic Board to ensure the needs of the South of Scotland are fully realised;
- Develop strategic supply chains to leverage public sector procurement, as part of a broader commitment to Community Wealth Building;
- Play a leading role in taking forward the Borderlands Inclusive Growth Deal;
- Facilitate the South of Scotland response to the opportunities provided by the United Nations COP26 climate summit taking place in Glasgow in November 2021.

In setting our priorities, we are also focused on the themes emerging from Regional Economic Strategy and direction from the SOSE Board to ensure that we remain flexible and collaborative in our approach to deliver the best outcomes for the South of Scotland.

Arriving at Our Priorities



CASE STUDY

Supporting the Just Transition to Net Zero and Circular Economies

Finlay's Farm Ltd is a producer of farmhouse cheese based near Gatehouse of Fleet.

The business markets their cheese under 'The Ethical Dairy' brand name and as such ensure they have strong environmental credentials. The business has been guided by their customers who request minimal plastic packaging with no polystyrene, and instead use sheep wool as insulation to keep the cheese cool in transit.

The company is committed to the low carbon agenda and is aiming for a true circular economy on the farm.

Sales of the Ethical Dairy cheese products to food service companies was heavily impacted when COVID-19 hit and as a result the business quickly moved to online direct sales to consumers.

This resulted in a huge level of interest during lockdown but the systems in place could not keep up with demand.

SOSE support is helping the business to innovate by enhancing their online e-commerce offering which will integrate with their accounting system, external courier system and digitise the traceability of sales, in turn increasing productivity.



Supporting Economic Recovery

In 2020/21 SOSE supported businesses and organisations across the South of Scotland to navigate the impacts of the economic crisis created by COVID-19 and to anticipate and respond to business issues related to the UK's exit from the European Union. We provided a range of support and funding to sustain businesses and other organisations in crisis and to protect jobs, as well as to clients looking to adapt and diversify their operations to start the journey to recovery.

The economic impact of COVID-19 on the South of Scotland will continue to be incredibly challenging into 2021 and beyond, with further impacts likely to arise from the UK's exit from the EU. There will be an ongoing need to protect vulnerable organisations in order to maintain our economy and retain people in work and to help businesses and organisations to prepare for and invest in recovery.

What we will focus on:	What we will do:	What we will do in partnership:
<ul style="list-style-type: none"> • Understanding and mitigating the ongoing impacts of COVID-19, and EU exit, on our businesses, communities and economy • Sustaining as many viable jobs as possible • Providing tailored support to help those disproportionately affected by job losses, including women, young people and those in disadvantaged communities, to access alternative employment • Supporting communities to recover from COVID-19, encouraging and supporting them to develop sustainable projects that create jobs and aid community wellbeing • Communicating opportunities and supporting local businesses to plan for and invest in recovery and growth • Supporting entrepreneurs to start new businesses and existing businesses to position themselves to respond to new and emerging opportunities 	<ul style="list-style-type: none"> • Continue to allocate significant resources to supporting our COVID-19 crisis management and recovery, in parallel to initiating new support and funding that will assist the region to develop and grow for the future • Continue to directly and meaningfully engage with as many businesses, communities and other initiatives seeking support as possible, assisting or signposting where we can • Invest in critical physical, social and human infrastructure and skills for recovery and future development of our economy, communities and environment • Identify employment opportunities in the short to medium term, with a focus on Green Jobs and supporting the Just Transition to Net Zero • Develop and deliver an action plan to attract and land Inward Investment, creating jobs and opportunities 	<ul style="list-style-type: none"> • Champion the needs of the South of Scotland by contributing intelligence and influencing Government thinking and actions • Continue to adopt a Team South of Scotland approach to pool intelligence and co-ordinate restart and recovery efforts • Continue intelligence sharing regarding potential redundancies in the South of Scotland and support appropriate response action including business crisis support and PACE activity • Work with the Councils, Business Gateway, Skills Development Scotland, VisitScotland, Scottish Development International, Industry Bodies and other local and national partners to make the most effective use of the funding and resources available to support economic recovery and create maximum benefit for the South of Scotland

What we will focus on:	What we will do:	What we will do in partnership:
<ul style="list-style-type: none"> • Attracting inward investment and encouraging investment from within the South of Scotland to create new jobs with a focus on creating a just and green recovery • Supporting new and innovative approaches and initiatives which will accelerate the realisation of inclusive growth within the region 	<ul style="list-style-type: none"> • Share learning and best practice on adaptation, diversification and innovation • Be bold and open to new models of working and funding to deliver solutions and infrastructure. 	<ul style="list-style-type: none"> • Work with partner Enterprise Agencies to share best practice and develop joint activity and ways of working • Align our plans and activities with those of the Scottish Government

CASE STUDY

Supporting Innovation

Hilltop Leaf Limited is a private Medicinal Cannabis cultivation and extraction business which aims to provide an alternative plant based clinical treatment to synthetic pharmaceuticals.

SOSE have provided Hilltop with a £690,000 capital investment to help toward the capital costs associated with building Scotland's first private Medicinal Cannabis cultivation and extraction business which is based in the South of Scotland.

Hilltop is at an early growth stage of their pioneering medicinal business and offer a fantastic opportunity to help the rural economy of Dumfries & Galloway by creating local jobs and supporting existing businesses.



Developing Our Offer

Whilst our primary focus in our first year was to support our region to respond to and recover from COVID-19, we also started to think about our offer for the future. We established relationships with key Team South of Scotland partners and national agencies and providers to progress joint initiatives on the ground and ensure that our service delivery complements existing support. We also supported businesses and communities to plan for the future, creating a strong pipeline of future activity in the region.

This year we will continue to develop our offer through initiating new services, support and funding focused on addressing the needs and issues of our region and delivering inclusive economic recovery and growth for the South. We will also focus on building our expertise and increasing awareness across the region of what we offer through a place-based approach to service delivery, which is responsive to our rural geography and dispersed population and business base, and continuing to collaborate on key regional initiatives.

What we will focus on:	What we will do:	How we will enable this:
<ul style="list-style-type: none"> Developing and expanding our service offer for businesses, social enterprises, communities and initiatives / projects to deliver inclusive economic recovery and growth for our region 	<ul style="list-style-type: none"> Continue to offer individual support, tailored to clients' needs, issues and opportunities Develop our range of support, services and funding to complement and avoid duplicating other locally or nationally available support or funding Communicate our offer to partners, businesses and communities to aid a better understanding of our role and the value we can bring Work collaboratively with Scottish Development International (SDI) and other partners to proactively support all businesses within the South who have international ambitions, in keeping with Scotland's export growth plan 	<ul style="list-style-type: none"> Pilot new services, support and funding Work with national partners and industry bodies to ensure that national support and resources are accessible and are reflective of rural needs Developing working approaches that underpin a client focussed service

What we will focus on:	What we will do:	How we will enable this:
<ul style="list-style-type: none"> Developing a place-based approach to service delivery 	<ul style="list-style-type: none"> Explore how to best offer a place-based approach to service delivery in the post-COVID-19 'new normal' and implement this model Target support to places where it is needed most Be more visible to those organisations who are looking for our support Support Team South of Scotland partners to deliver their place planning work 	<ul style="list-style-type: none"> Work with partners to understand the places most in need of support and to maximise the impact of our services and funding in local places Build on and strengthen partnership working with Team South of Scotland partners Going to our clients - meeting businesses, social enterprises, communities and partners when safe to do so
<ul style="list-style-type: none"> Building our client-focused team and expertise so we can support the businesses, social enterprises, communities and initiatives / projects across the region throughout their journey from starting up to established organisations 	<ul style="list-style-type: none"> Integrate Scottish Borders' Business Gateway services into our service delivery to support entrepreneurial activity Continue to recruit and develop our team of client-focused professionals so we can offer specialist advice to clients at whatever stage of development they need it Promote and support the take up of new practices that support a Just Transition to Net Zero; embed Fair Work; and embrace innovation and digitalisation 	<ul style="list-style-type: none"> Constantly review and develop our skills, knowledge and services so that they meet the needs of our clients and region Build the capability and tools of our client-focused team to be able to support businesses and communities with key national priorities like the Just Transition to Net Zero and Fair Work
<ul style="list-style-type: none"> Collaborating with partners, organisations and industry bodies to deliver key national, regional and locally focussed programmes and projects 	<ul style="list-style-type: none"> Be an active stakeholder in the Borderlands Inclusive Growth Deal projects and programmes to maximise the benefits for the South of Scotland Support the Advanced Innovative Manufacturing Service to help businesses to make the most of these facilities to develop innovative manufacturing techniques and new products Secure national opportunities to promote digital utilisation and improve infrastructure Develop our understanding, engagement and action in key thematic areas for the South of Scotland such as tourism, creative industries, energy and construction supply chains, transport, housing and learning and skills 	<ul style="list-style-type: none"> Support Borderlands partners on key projects and programmes Identify opportunities to connect our business clients to the Advanced Innovative Manufacturing Service to maximise potential for each business Develop our relationships with key networks and partnerships to understand where SOSE can best add value and unlock opportunities Being active with National partners to promote the South of Scotland and secure opportunities

CASE STUDY

Helping communities towards sustainability and growth

Tweeddale Youth Action is a registered Scottish Charitable Incorporated Organisation located in the Tweeddale area of the Scottish Borders and supports young people to access advice, develop skills, confidence, a sense of belonging and responsibility within the community.

SOSE first started engagement with the group through joint locality-based working with Scottish Borders Council. From the initial discussion it was clear there were some areas of support that SOSE could provide from community asset development to market research and business and recovery planning.

Thinking further about sustainability and growth issues, the organisation is currently undertaking market research to find out what their users need and to measure interest in their diversification ideas.



They are in the process of developing their strategy to assist young people into training, work or business and are exploring various tourism and food and drink strands to understand their place in the overall market.

SOSE has also linked Tweeddale Youth Action to external partners and wider agencies to widen their reach and access new opportunities. All of this work around research, policies and strategies will help Tweeddale Youth Action target funders for assistance.

Driving Change and Influencing Others in Action

Whilst our immediate focus will remain aiding economic recovery, we are increasingly looking to the future and actively developing our long term strategic response to strengthening our economy and communities. In doing so we will continue to engage with people, communities, businesses and partners across and active within the South of Scotland, to establish a clear and shared set of priorities. We will step up to lead change and be proactive in influencing others to accelerate the realisation of a stronger, greener and fairer South of Scotland.

What we will focus on:	What we will do:	How we will enable this:
<ul style="list-style-type: none"> • Continuing to develop our strategic thinking, vision and priorities • Providing leadership to develop a shared agreement about the opportunities, challenges and priorities for growing a stronger, greener and fairer South of Scotland • Developing an appropriate, useful and accessible evidence base for the South of Scotland to inform decision making • Becoming a net zero organisation that supports a just transition • Taking forward Fair Work • Using our influence to: <ul style="list-style-type: none"> - Shape national and local policies for the benefit of the region - Ensure the South of Scotland gets a fair share of investment and resources from all sources - Raise the profile of the region and its ambitions - Increase awareness of SOSE and our mission to drive change in the South of Scotland 	<ul style="list-style-type: none"> • Develop our strategic Action Plan ensuring alignment with the South of Scotland Regional Economic Strategy (RES) • Enhance and diversify our methods of communication with businesses, communities and individuals – extending our reach across the South of Scotland • Explore the best structures for engagement, including the possibility of setting up a Business Panel and open data portal • Seek strategic opportunities to shape the policies, plans and programmes of others, particularly the Scottish Government • Respond to key consultations and policy developments, advocating for the South • Use COP26 as a catalyst to raise awareness and accelerate the region's journey, and our own, to a Just Transition to Net Zero 	<ul style="list-style-type: none"> • Engage with businesses and communities to hear their views on what matters most • Publish our Action Plan, considering consultation outcomes and national direction, to set our priorities for the next 3 years • Agree our performance framework to measure and assess our progress • Actively address key issues and opportunities around: <ul style="list-style-type: none"> - Community Wealth Building to promote fairness and wellbeing - Green job creation - Understanding the value of the region's Natural Capital and establishing a baseline - Better understanding rural innovation • Provide project management capacity and communications expertise to support the development and launch of the RES • Undertake Climate and Carbon Literacy training for all Board and staff members

What we will focus on:	What we will do:	How we will enable this:
<p>Working with partners to:</p> <ul style="list-style-type: none"> • Develop skills and learning opportunities for all, meeting the skills needs of employers • Collaboratively develop a regional response to the Just Transition to Net Zero, to enable us to meet the challenge of the climate emergency • Maximise the opportunities of our Natural Capital assets • Understand the impact of national and regional partnerships, strategies and plans on the South of Scotland and continue to foster a coordinated Team South of Scotland approach/ response 	<ul style="list-style-type: none"> • Support the development and launch of the RES • Actively contribute to the Convention of the South of Scotland (COSS) and the Regional Economic Partnership (REP), working with partner organisations to reach agreement on key issues and priorities • Continue to work with UK and Scottish Governments and partner agencies on key investments, such as Borderlands Inclusive Growth Deal, Edinburgh and South East Scotland City Region Deal, EU structural fund replacements, and on a bid for the establishment of a South of Scotland Green Port • Support the work of the Education and Skills Strategic Coordination Group and the implementation of the South of Scotland Regional Skills Investment Plan (RSIP), including any refresh 	<ul style="list-style-type: none"> • Support the implementation, monitoring and reporting of the recommendations in the South of Scotland Energy Transition Group's 'Powering Change' report • Collaboratively develop and deliver a regional public awareness campaign for the Just Transition to Net Zero • Enhance skills and career pathways to create opportunities to retain and attract young people • Improve access to education, skills and training • Grow and develop the region's workforce • Develop new and strengthened relationships with Scottish and UK Government and partner agencies

CASE STUDY

Driving change and influencing others in action

We are pleased to play a key role in the national journey to net zero emissions by 2045 – this involves reducing our greenhouse gas emissions as far as we can with the balance removed from the atmosphere. We reach net zero when the amount we add to the atmosphere is no more than the amount we store and capture, for example through peatland and soil restoration or tree planting. This is a huge task that will impact upon all of us, in how we live and work in the years to come.

Powering Change

A key contributor to greenhouse gas emissions is our energy systems. To address its contribution SOSE established the Energy Transition Group, bringing together a diverse range of partners and expertise across the public, private, education and third sectors. After six months extensive work we published the 'Powering Change' report, in March. This call to action for local businesses, organisations and partners will ensure the region maximises future energy opportunities – potentially leading to the creation of hundreds of green jobs.

The report calls on all organisations to work collectively to turn the plan into a reality and ensure the region takes up the opportunity to lead the way on this vital issue. It captures the shared ambition to maximise the benefits of working to decarbonise our economy, setting out a clear vision for 2045 and crucial future actions.

COP26

In November the United Nations Climate Change Conference, COP26, is scheduled to be held in Glasgow under the presidency of the UK.

We see this as an opportunity to spark the net zero conversation nationally and specifically here in the South of Scotland. Given our wealth of natural resources our region can play a critical role in the journey to net zero emissions by 2045. We also see this as an opportunity to provide a focus for inward investment and develop the skills required to deliver on this national endeavour.

We want to work with businesses, social enterprises and communities to encourage you to plan your net zero journey and showcasing to others to inspire them to act. We will be learning alongside you, starting with training all our Board and staff in carbon/climate literacy, as we are committed to becoming a net zero organisation.



Investment Priorities

Investment Priorities – Already Committed 2021/22

We continue to focus on recovering from COVID-19 in 2021/22, and while many of the programmes we have committed to date have this as their focus, others are very much focused on longer-term developments. Our staff represent an investment in the South of Scotland economy through the help they bring to businesses and our communities.

What we have invested in	Investment and value (£):
Committed Programmes	(£6.6m)
Operations Team	Operational resources costs related to service delivery (£4.1m)*
Organisation Running Costs (excluding Operations Team)	Resource costs for delivery including estates and staff (£4.9m)
Collaborative Partnerships	Collaborations with other strategic public body partners to deliver essential transactional services relating to finance, HR and IT (£0.8m)

*Expected staff budget by end of March 2022.

Investment Priorities – Future Programmes 2021/22

While we continue to focus on recovering from COVID-19 in 2021/22, we will also take opportunities to focus our resources on creating and investing in opportunities which act to sustain and strengthen our economy, businesses and communities for the longer-term. Our funding is arranged through a range of different funds and these will be invested flexibly to support strong and innovative ideas.

Future investments	Investment and Value	Our approach to funding. We will:
Revenue Programmes	4.3m	<ul style="list-style-type: none"> • invest in areas which will have the biggest impact • be bold and innovative in our thinking • develop robust business cases with a focus on Fair Work and the Just Transition to Net Zero • be open to a greater share of risk • work with key partners to support the implementation of, and add value to, regional investment priorities such as Borderlands Inclusive Growth Deal and Edinburgh & South East Scotland City Region Deal
Capital Programmes	8.2m	
Economic Loan Recovery Funds	5.0m	

Developing Our Action Plan

Legislation requires SOSE to publish an Action Plan setting out in detail how it intends to achieve its twin aims of “furthering the sustainable economic and social development of the south of Scotland” and “improving the amenity and environment of the south of Scotland”.

Given the immediacy of the need to support businesses through the pandemic, the decision was made to defer production of our first Action Plan by a year to March 2022. This also allowed us to embrace the opportunity to align with the emerging Regional Economic Strategy (RES) and our strategic planning cycle with our Enterprise and Skills Board partners.

Continuing the work underway to develop our future ambitions for our region, we will – with extensive consultation across the South of Scotland – work on our Action Plan which will define our longer-term priorities over the next four to five years. The Plan will guide our future focus and investments across all we have been established to do to meet our aims, making sure we play our part in building a fairer, greener and stronger Scotland. It will outline the steps we plan to take to realise the vision at the heart of the Regional Economic Strategy.

To develop our Action Plan, we want to hear what you, the people of the South of Scotland have to say about how we achieve our aims. To this end, we will be consulting widely with you over the autumn of this year – seeking to be as inclusive as possible. We want you to get involved and help shape the future direction of SOSE as an organisation and the South of Scotland as a region. Following consultation, we aim to publish our Action Plan by the end of March 2022.

Measuring Success

SOSE are required, as an executive Non-Departmental Public Body, to produce performance, accountability reports and financial statements which will be published later in 2021 detailing our performance and sustainability report and financial spend for 2020/21. Progress against the priorities set out in this year's Operating Plan will therefore be reported in next year's Annual Report.

Our collaborative working with Scottish Government and partner agencies continues to develop a consistent monitoring framework that can compare activity across Scotland. However, SOSE has a wider remit than the other development agencies and we will be considering our activities through the lens of sustainable development, looking at economic, environmental and social impacts and enhancing the intersections of these areas.

We are actively developing a performance measurement framework that will allow us to:

- assess the short and medium term impacts of our work;
- establish indicators to demonstrate that we are achieving those impacts; and
- create an effective mechanism for capturing the required data across the organisation.

This work will be led by our new Insights Team who will be tasked to create a suite of indicators that reflect the needs and ambitions of the South of Scotland. The team will also lead on the analysis of wider intelligence and undertake research to ensure we are always reflecting the needs of those who live, work and operate across our region.

An increasingly important area of work is around natural capital, as our beautiful and diverse natural assets present a real opportunity to bring inward investment and enhance the daily lives of our businesses, communities and visitors. Effective management of these assets is critical to address the two acknowledged issues of biodiversity loss and climate change. We have commissioned work to create a natural capital measurement approach, which will feed into our performance measurement framework and allow us to assess changes in our resource base so we can take appropriate action for enhancement.

We will continue to regularly report on our progress towards our priorities throughout the year via our website and social media, providing transparency and enabling accountability in all that we do.

CASE STUDY

Promoting conservation and attracting visitors

Community interest company Birds Gardens Scotland CIC is located at Oxton in the Scottish Borders.

Their mission is to protect bird and plant species, including those critically endangered. The centre also facilitates conservation breeding and rearing programmes.

SOSE provided £25,000 in support to help develop a seven-acre site to house and breed over 300 birds from across the world. The funding has directly allowed the company to build a new boardwalk for visitors to use in the outdoor area.

The facility is a 'community hub' within the Scottish Borders. It features a coffee shop and playground. The outdoor classroom and education area will create a recreational greenspace for visitors to learn more about endangered birds.



Appendices

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APPENDIX A

Our Board

Direction for SOSE and all aspects of our work are overseen by our Board, currently comprised of twelve Members, chaired by Professor Russel Griggs. Taken as a whole, our Board brings together a broad range of relevant interests, skills, experience and expertise with knowledge of the whole of the South of Scotland and the issues facing those who work in the South of Scotland. It is brimming with enthusiasm, passion and a genuine commitment to drive forward our vision and deliver lasting change in the South of Scotland.



Professor Russel Griggs OBE
Chair, South of Scotland Enterprise

Professor Russel Griggs OBE also led the team who created SOSE. Russel Chairs the Scottish Government's independent Regulatory Review Group who advise and work on better regulation in Scotland; is Chair of Scottish Mines Restoration Trust; is a Board member and senior Independent Director on the oversight Board for the Comptroller and Auditor General for the States of Jersey; and is a Board member of Lenlyn Holdings Ltd. He is honorary Professor of the University of Glasgow, was an associate Professor at Boston University and a member of the board of the Business School at Georgia Southern University. He was awarded an OBE in the Queen's Birthday Honours list in 2008 for services to Scottish industry.



Jane Morrison-Ross
Chief Executive

Jane is a highly experienced executive with over 25 years working across the public and private sector. She brings to SOSE significant expertise in strategy, transformation, local economic regeneration and creating collaborative partnerships, built from a wide ranging career including most recently as CEO of Scotland IS - Scotland's industry body for digital and technology industries.

Jane chairs a charity in Dumfries, sits on the Governance Board of Connecting Scotland and is a member of the Lay Court of Edinburgh Napier University.



**Professor Sara Carter
OBE FRSE**

Vice Principal and Head of the College of Social Sciences at the University of Glasgow

A Professor of Entrepreneurship, a member of the Council of Economic Advisers to the First Minister of Scotland; the Enterprise & Skills Strategic Board; the Women in Enterprise Action Group and is Non-Executive Director of Women's Enterprise Scotland. Sara received an OBE in 2009 for services to women entrepreneurs.



Alistair Cameron
Managing Director of Scotmas Group

Alistair has built his career in the Life and Chemical sciences sector, growing a 2 person, home based business to becoming a major local employer, exporting to 32 countries Worldwide. Alistair strongly believes that investment in innovation, advanced manufacturing technologies and people development can lead to sustainable economic growth in the region.

Alistair was previously the skills lead for Life & Chemical Sciences Scotland, helping to design new university and apprenticeship programs, and also served on the advisory board of Interface, helping to develop increased collaboration between Scottish Universities and SMEs.



Alan Daubney
Managing Director and owner of ADCA Chartered Accountants

Alan set up ADCA in 2011 and is also involved in a number of businesses and charities providing accounting and Financial Director roles. Alan has a degree in Economics and Finance from Strathclyde University and qualified as a Chartered Accountant in 2006.



Helen Forsyth
Former CEO of Berwickshire Housing Association (BHA)

Helen Forsyth was the CEO of Berwickshire Housing Association for 13 years until 2020. She now sits on various Boards including chairing the Scottish Federation of Housing Associations. Her career spans some 43 years and included working in the public and third sector before taking various senior roles in Housing. She is deeply committed to empowering both individuals and communities and mentors individuals in their careers as well as being passionate about the South of Scotland.



Duncan McConchie
Managing Partner of Laggan Outdoor and GG's Yard

Managing Partner of Laggan Outdoor Ltd, trading as Laggan and GG's Yard situated in Dumfries and Galloway. Duncan and his wife have transformed the business with the creation of on-site accommodation, GG's Yard wedding and conference venue and Gather, their hillside kitchen/bistro.



Lindsay McDowall
Former Head of Services
at Visibility Scotland

Lindsay managed projects and services across Dumfries and Galloway, Scottish Borders and throughout the west of Scotland. Locally, Lindsay has led and developed an award-winning community project in Dumfries and Galloway for Visibility Scotland and has a strong interest in building community resilience.



Kate Rowell
Sheep and Suckler
Cow Farmer

A veterinary surgeon and fifth generation sheep and suckler cow farmer from a hill and upland farm near Peebles. Kate is Chair of Quality Meat Scotland, an active member of the local National Farmers Union of Scotland branch, and was a Just Transition Commissioner of Scotland.



Jeremy Sainsbury
OBE FRICS
Director, Natural Power

Director of international renewable energy consultancy Natural Power based in Dumfries and Galloway; serving Director of Energy UK; and founder member of Scottish Renewables, serving as Chair, Vice Chair, member and Chair of the Grid Group. Jeremy was awarded an OBE in 2013 for services to the Renewable Energy sector and to the people of Dumfries & Galloway.



Hazel Smith
Founder of ReTweed

ReTweed a multi-award winning social enterprise based in Eyemouth, delivering craft, heritage, design and textiles skills to individuals and communities who face barriers to making progress in their lives and / or careers. Hazel won Social Entrepreneur of the Year in the Herald Society awards in 2019/20. With the support of her community and team, she has developed enterprise and training models that promote sustainable business as well as successful routes into employment for disadvantaged groups and communities.



David Sulman
Over 40 years' experience
in the UK forestry and
timber sector

Over 40 years' experience in the UK forestry and timber sector - David has been actively involved in several Forestry Commission and Forest Research specialist committees and has been a member of the Timber Transport Forum, former Chair of the Assessment Panel of the Scottish Strategic Timber Transport Scheme, member of the South of Scotland Economic Partnership and served on the National Council of Rural Advisers.

APPENDIX B

Our Organisation

As an organisation we are structured around four Directorates – Finance; Enabling Services; Strategy, Partnership & Engagement; and Operations – by our Chief Executive, Jane Morrison Ross. Our current headcount is 81 employees.



Jane Morrison Ross
Chief Executive,
South of Scotland Enterprise



Anthony Daye
Director of Finance

Finance
Information Governance, Risk & Compliance
Procurement & Legal

11 Employees



John Evans
Director of Enabling Services

Facilities & Office
HR
IT & Digital

10 Employees



Karen Jackson
Director of Strategy,
Partnership & Engagement

Communication & Marketing
Corporate Governance
Partner & Stakeholder Engagement
Strategy & Planning

14 Employees



Bryan McGrath
Director of Operations

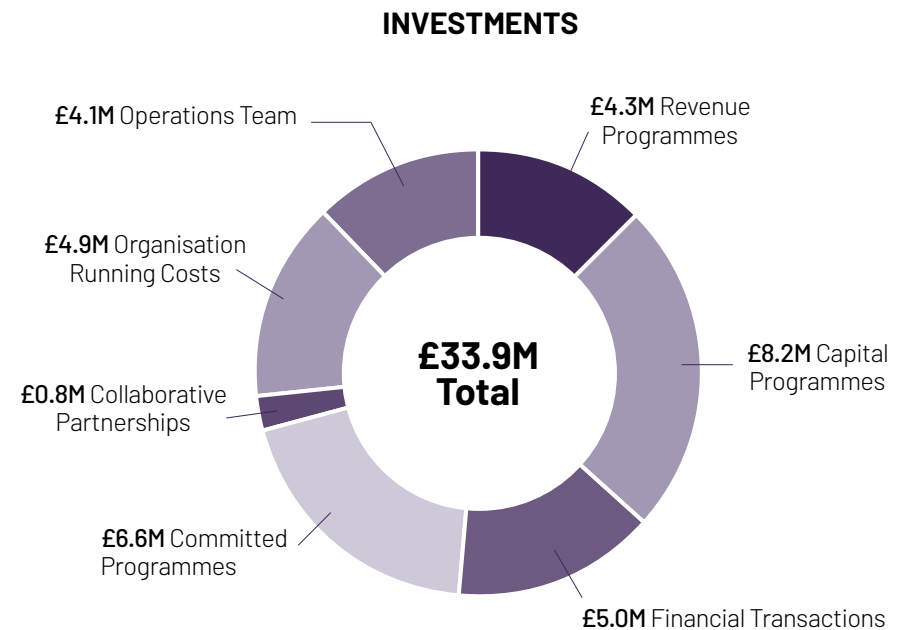
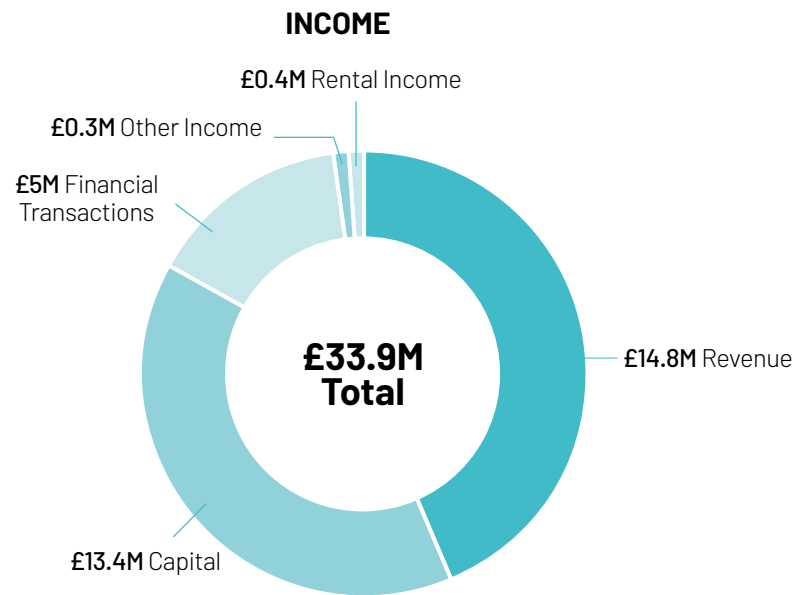
Business Development
Community Development
Economic Infrastructure

46 Employees

APPENDIX C

Our Operating Budget for 2021/22

Current forecasted outturn



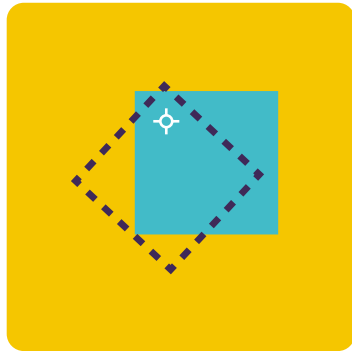
Note:

- The South of Scotland Enterprise cash allocation is £33.2m; the overall published budget for SOSE is £35.7m which includes other elements relating to non-cash items such as depreciation
- Current forecast outturn is cash only
- The budget supplied by the Scottish Government is likely to be increased by £1m COVID consequentials
- Collaborative Partnerships with other strategic public bodies includes finance, IT and HR support
- Organisation running costs include all remaining staff costs outwith the Operations team, and other business and estates costs

APPENDIX D

Summary of Grant Awards

Scottish Government Funds, administered by SOSE:



Pivotal Enterprise Resilience Fund

to support viable but vulnerable SME firms which are vital to the local, regional or Scotland's economy

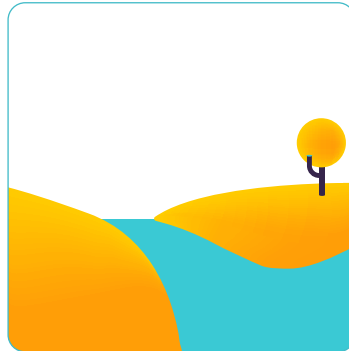
Total funding awarded:

£10,923,248

* funds administered and paid directly by Scottish Enterprise

Number of businesses supported:

167



Creative, Tourism and Hospitality Enterprises Hardship Fund

to support smaller companies in tourism, creative industries and hospitality experiencing immediate hardship, due to ineligibility for other COVID-19 Government grant support

Total funding awarded:

£1,130,539

* funds administered and paid directly by Scottish Enterprise

Number of businesses supported:

110



Hotel Recovery Support Programme

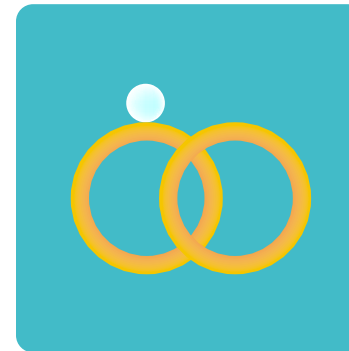
to help protect sustainable employment in the medium term within larger hotels in Scotland

Total funding awarded:

£847,544

Number of businesses supported:

7



Scottish Wedding Industry Fund

to help as many businesses as possible operating in the Scottish wedding industry – and their supply chain – to survive the current COVID-19 pandemic and then restart once restrictions ease

Total funding awarded:

£1,700,000

Number of businesses supported:

170

SOSE's Funds:



Crisis Fund

to support businesses and organisations that are in crisis as a result of COVID-19 but where jobs can be retained and sustained

Total funding awarded:

£3,767,296

Number of organisations supported:

88



Adaptation and Diversification Fund 2020

to support businesses and organisations that are looking to adapt and diversify in recovering from COVID-19, especially supporting innovation and business improvement

Total funding awarded:

£6,056,383

Number of organisations supported:

63



Community Ideas Fund 2020

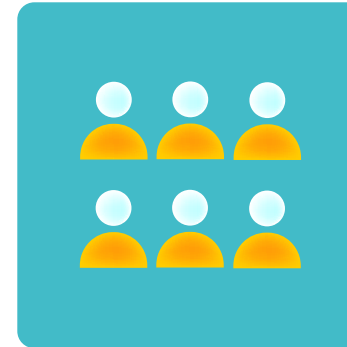
to support communities and community organisations that are looking to test project ideas that will support future impact, inclusive growth and job creation in their locality and help the community to recover and grow in the post-COVID-19 period

Total funding awarded:

£159,861

Number of organisations supported:

12



Community Asset Development Fund 2020

to support communities that are seeking to develop sustainable projects that deliver inclusive growth from community assets and will support the community to recover and grow in the post-COVID-19 period

Total funding awarded:

£1,746,455

Number of organisations supported:

9

APPENDIX E

National Context and Collaboration

Climate change & net-zero



1 in 10 jobs
8% in Scotland already related to circular economy



Scotland's **greenhouse gas emissions** have reduced **31%** since 2008, faster than any G20 economy

Fair work & wellbeing



Lowest earners have lost their jobs at **4x** rate of highest earners. **1 in 5 workers** are worried about losing their jobs



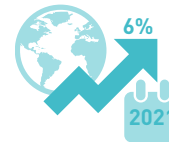
Now **1,950 accredited living wage employers** in Scotland – 300 achieving accreditation in 2020



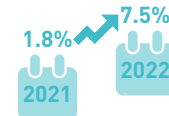
Younger people have been disproportionately impacted by job losses and furloughing

Economy & labour market

Global economy expected to grow **6%** over 2021. A stronger recovery is forecast for the USA, although weaker in the UK and the eurozone



Scottish economy forecast to grow by **1.8%** in 2021 and **7.5%** in 2022, but may not return to pre-pandemic levels until early 2024



Employment expected to fall **40,000** over 2021, with the unemployment rate reaching **7.1%**



Scottish overseas exports are forecast to **fall by £665m in 2021**, then **recover in 2022**



Business R&D and capital investment growth is likely to remain subdued over 2021

27% of Scotland's businesses have no or less than three months **cash reserves**

Business equity investment prospects for 2021 look positive, but there are concerns about investor appetite at the early stage and for companies seeking equity for the first time

Scotland continues to be the **most attractive UK** location **outside London** for inward investment

Digital transformation



Adoption of new technologies and the skills to use them could **+£25 billion** to Scottish economy over next **10 years**



73% of Scotland's businesses adopted new digital technologies during Covid-19



Working from home in UK is expected to increase **fivefold** by 2025, enabled by technology

Demographics & talent attraction



Scotland's population projected to grow by **2.5%** between 2018- 2043, all from migration

Estimated **50-80%** reduction in net EU migration to Scotland after 2020

Existing areas of cross-agency collaboration and shared services

Collaboration in service delivery	HIE	SE	SDS	SFC	SOSE
Find Business Support	✓	✓	✓		✓
Support for Inward Investors	✓	✓	✓		✓
Skills Alignment			✓	✓	
Data and Insights work (e.g. joint CRM, Brexit & Covid data sharing)	✓	✓	✓	✓	✓
Strategic and Business Planning	✓	✓	✓	✓	✓
Business Support Partnership	✓	✓	✓		✓
Business Support Campaigns (e.g. Covid and Brexit responses)	✓	✓	✓	✓	✓
Rapid Response Unit (support for companies at risk)	✓	✓	✓		✓

Shared corporate services	HIE	SE	SDS	SFC	SOSE
Enterprise Information Services (EIS)	✓	✓	✓		✓
Internal Audit		✓	✓	✓	✓
Services for SOSE (Business support, some HR and Finance functions)		✓	✓		✓

APPENDIX F

Glossary

Amenity - A desirable or useful feature or facility of a building or place.

Borderlands - ([Borderlands Inclusive Growth Deal](#)) This ten-year £450 million programme brings together the five local authorities on both sides of the Scotland-England border. The local authorities are working with the private and third sectors, education and skills providers and the enterprise and skills agencies and the Partnership aims to promote inclusive and sustainable economic growth of the area that straddles the border.

Business panel - Mirroring the approach of Highlands and Islands Enterprise (HIE), SOSE will set up a business panel that is representative of the south of Scotland business population (including social enterprises). Starting in June 2021, we will undertake regular interviews and surveys with the Panel. This will be a useful source of data for planning and decision-making across the south of Scotland.

Circular economy - A traditional “linear economy” involves taking resources from the ground, air and water; making them into products and structures; then disposing

of them. A circular economy takes an alternative approach, in which resources are kept in use for as long as possible, the maximum value is extracted from them whilst in use and then materials are recovered and regenerated at the end of each product’s viable life cycle.

Climate change - The UN defines “Climate Change” as a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods. The Scottish Government has enacted legislation that sets a target date for net-zero emissions of all greenhouse gases by 2045. Detailed targets are set out in the Scottish Government’s [Climate Change Plan update](#), which was published in December 2020.

Community Wealth Building (CWB) - Community wealth building is a new people-centred approach to local economic development, which redirects wealth back into the local economy, and places control and benefits into the hands of local people.

CWB aims to ensure the economic system builds wealth and prosperity for everyone. More information can be found at [CLEES](#) and [SCRIG](#).

Convention of the South of Scotland (COSS) - A [body](#) established by the Scottish Government in 2019 to bring together public bodies with responsibility for growth and provide a forum for the exchange of ideas on priorities and how to tackle key regional issues.

Data portal - (also known as an open data portal) - A website that gives single-point access to data relevant to the South of Scotland held by SOSE or other authorities for anyone to consult and reuse.

Economic recovery - An expansion of the economy following a recession (in the current context caused by the impacts of the Covid 19 pandemic).

Edinburgh and South East Scotland City Region Deal - This £1.3 billion [Deal](#) comprises six local authorities around Edinburgh including Scottish Borders Council. The local authorities are working with the private and third sectors, universities and colleges

and the third sector. The Deal will deliver improvements in innovation, housing, critical infrastructure and a new skills programme.

Empower – Give (someone) the authority or power to do something.

Enterprise and Skills Strategic Board – This Strategic Board was created by the Scottish Government in response to the [Enterprise and Skills Review](#). It is managed by the Scottish Government and its objective is to align and co-ordinate the activities of Scotland's enterprise and skills agencies: Scottish Enterprise (SE), South of Scotland Enterprise (SOSE); Highlands and Islands Enterprise (HIE), Skills Development Scotland (SDS) and the Scottish Funding Council (SFC). Further information can be found [here](#).

Entrepreneurial – A mindset, a way of thinking. An entrepreneur is someone with the innovation, foresight, drive and ambition to take calculated risks and create new solutions. Being entrepreneurial can mean sharing ideas freely and celebrating so-called failures as learning and growing experiences. Being entrepreneurial can mean exploiting one's detailed knowledge of an industry to create and initiate new ideas and opportunities in that sector or to transfer that knowledge to a new situation. It is characterised by the taking of financial risks in the hope of profit.

EU Structural Funds replacement – Three funds have broadly speaking replaced EU Structural Funds following Brexit. These are the [Levelling Up Fund](#) (capital funding), the [Community Renewal Fund](#) (revenue funding) and the [Community Ownership Fund](#) (asset purchase). All three funds are operated directly by UK Government in conjunction with individual local authorities.

Fair work – Work that offers all individuals an effective voice, opportunity, security, fulfilment and respect. More information on Scotland's Fair Work Convention can be found [here](#).

Green growth – A term to describe economic growth that uses natural resources in a sustainable manner. It is used globally to provide an alternative concept to typical industrial economic growth.

Green port – Based on the UK Government's Freeport model, Scottish Green ports aim to boost the local economy around designated green ports, incentivising businesses with streamlined planning processes and a package of tax and customs reliefs. In particular, the green port model will focus on inclusive growth, fair work practices and delivering a net zero economy.

Green recovery (also sometimes called **green economic recovery**) – Economic recovery that has climate change considerations front and centre of policy

decisions. It provides the opportunity for Scotland to meet its climate and environment ambitions, whilst building a better economy for the future and creating jobs.

Inclusive growth – The Scottish Government [defines](#) inclusive growth as economic growth that is inclusive. This means growth that combines increased prosperity with greater equality, creates opportunities for all, and distributes the benefits of increased prosperity fairly.

Infrastructure – The Scottish Government headline [definition](#) of infrastructure is: "the physical and technical facilities, and fundamental systems necessary for the economy to function and to enable, sustain or enhance societal living conditions". Typically, infrastructure refers to economic infrastructure, such as utility networks, transport and digital communications, but the Scottish Government also includes social infrastructure such as schools, universities, hospitals, prisons, community housing, and parks.

Innovation – In the context of [Scotland CAN DO](#), the Scottish Government defines 'an innovation as an idea that creates economic value for individuals and society. Innovations can occur in any field or sector, and can be part of a business, team or government's strategic approach.

Just transition – (also called **just transition to net zero**) – The move towards a net-zero emissions economy that is fair for all. In Scotland, the Just Transition Commission advises Scottish Ministers on how to apply just transition principles. These principles can be summarised as:

- plan, invest and implement a transition to environmentally and socially sustainable jobs, sectors and economies, building on Scotland's economic and workforce strengths and potential;
- create opportunities to develop resource efficient and sustainable economic approaches, which help address inequality and poverty;
- design and deliver low carbon investment and infrastructure, and make all possible efforts to create decent, fair and high value work in a way which does not negatively affect the current workforce and overall economy.

Natural capital – Natural capital refers to the elements of the natural environment which provide valuable goods and services to people, such as woodland providing flood risk reduction and capturing carbon. There are 'four capitals' that represent all of the assets of the Scottish economy: economic; human; natural; and social capital. More detail can be found in the [Report](#) of the Advisory Group on Economic

Recovery (**AGER**). **Natural capital baseline** – Measurement of the existing natural capital in an area to provide a dataset to inform policy and decision making.

Net zero – (also known as **net zero emissions**) – Refers to the balance between the amount of greenhouse gases produced and the amount removed from the atmosphere. We reach net zero when the amount we add to the atmosphere is no more than the amount we store and capture.

Outcomes – The result we want to achieve. The end result, or impact of our activities. What actually matters to people.

PACE activity – Partnership Action for Continuing Employment (PACE) is the Scottish Government's initiative dedicated to helping individuals and employers with the advice and support they need when faced with redundancy.

Place-based approach – An approach that works with an entire community (in its broadest sense) that is recognised as a 'place' – this could be a village, town or an area. This approach looks at a place from every angle and as a whole (including for example, people, resources, landscape, history, skills, infrastructure, barriers and opportunities, assets and external influences). It looks at how to improve the place in a sustainable manner by taking a wider view on what may be possible through key changes.

Productivity – Labour productivity – defined as Gross Domestic Product (GDP) per hour worked – measures the average amount of goods and services produced for each hour worked by the labour force. In general terms, it measures the efficiency of what is being produced.

Regional Economic Partnership (REP) – A forum that brings together a wide range of expertise and sets the direction of our regional economy in the South of Scotland. Members of the REP were appointed through an open recruitment process, joining elected members from both local councils and Board members from SOSE. The REP has a collective ambition to deliver a clear and compelling vision for the economic success of the South of Scotland. Its role is to inform the development of and oversee the delivery of the Regional Economic Strategy (RES).

Regional Economic Strategy (RES) – A strategy that will set out the long-term vision and strategic objectives for the economic development of a region. In the South of Scotland, collaborative work is ongoing to develop a RES for the region, which should be published by summer 2021.

Regional Skills Investment Plan (RSIP) – part of Skills Development Scotland's skills investment planning approach, RSIPs recognise the diverse needs of regions across Scotland. The plans take account

of the particular challenges, opportunities and drivers at regional level and present a partnership response to these.

Social enterprise – Businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners.

Sustainable economic growth – A rate of growth which can be maintained without creating other significant economic, social or environmental problems, especially for future generations.

Team South of Scotland – A partnership working group of officials from Dumfries and Galloway Council, Scottish Borders Council and South of Scotland Enterprise, set up to respond to the impact of COVID-19 in way that best supports the unique needs of the area. The group meets weekly to develop shared approaches and plans to address regional issues.

Third sector – The third sector refers to organisations which are neither public sector or private sector. This includes charities, social enterprises and voluntary groups. The third sector delivers essential services, helps to improve people's wellbeing and contributes to economic growth. It plays a vital role in supporting communities at a local level.

Workers' interest committee – A group of individuals appointed by SOSE who advise SOSE on what it should be doing to advance the interests of workers in the region.

Contact us

Find out more at

www.southofscotlandenterprise.com

Or get in touch to find out how we can tailor our support to your individual needs and circumstances

www.southofscotlandenterprise.com/contact-us

0300 304 8888

To request this document in an alternative format, such as large print, different language or on coloured paper please get in touch with us.

Correct as of May 2021

