

## **Note of Strategic Board Meeting – 21 November 2018, Glasgow**

### **Item 1. Welcome, apologies and introductions**

The Chair introduced the meeting by:

- Advising that apologies had been received from Grahame Smith and Steve Dunlop.
- Welcoming Jane Martin from SE who would attend the whole meeting in Steve's absence.
- Welcoming Pamela Stevenson, Chair of the Scottish Local Authorities Economic Development Business Group and Hugh Lightbody, Chief Officer, Business Gateway National Unit, who would both be attending until lunchtime.

There were no issues raised as conflicts of interest.

### **Item 2. Minutes of Last Meeting and Matters Arising**

There were no matters arising. The Board agreed the minutes were read and accepted.

### **Item 3. Chair's Update**

The Chair set out that a year was up and this was an opportunity to do a short review and discuss next steps, and thanked the Board for their commitment and focus in what had been a collaborative venture. The Strategic Plan was produced to tight timescales and was something to be proud of. It had generally received a warm response.

The Chair explained that the day would be important for marking out the next phase around implementation, and that this should include working with local government so it was very positive that they were in attendance.

Russel Griggs updated the Board on progress with the South of Scotland Economic Partnership.

He highlighted that legislation for establishing the agency was in process and a memorandum of understanding was in place for the partnership

He highlighted some areas of work of the partnership including the development of an economic growth model for the South of Scotland, a focus on implementing fair work practices, as well as some areas where funding had already been put to use.

It was proposed that Russell and Gary Gillespie would speak to the board in future about the Economic partnership and the work on regional inclusive growth.

Liz Ditchburn then updated the Board on the Scottish Government's Economy Board, which provided internal governance focussed on the economy and included Nora Senior as a member. The Board had been six months in operation, was beginning to change the nature of the debate and was helping to offer a coherent view to Ministers.

The importance of tying this up with what the SB are doing was highlighted.

- **Action 1: Russell Griggs and Gary Gillespie to speak to the board in future about the South of Scotland Economic Partnership and the work on regional inclusive growth.**

#### **Item 4. Review of the Strategic Plan**

The Board then reflected on the Strategic Plan and how it had been received.

Some observations were:

- The plan was broadly welcomed by all the agencies.
  - It had generally received positive coverage and some stakeholder groups were more animated and interested.
  - Some recommendations were difficult to understand and not in plain English – some of the plan needed translation and more simple communication messages.
  - The Fair Work agenda was not well understood by some consumers.
  - It could benefit from an additional focus on gender and rural considerations. The Board should hold agencies to account for how they are influencing the rural economy.
  - College reaction was positive – delivery would need leadership working with agencies. There was also a positive response from Further Education.
  - The press coverage did not feature business voices discussing the Plan so there was perhaps a disconnect there.
- **Action 2: The Board would work with Patricia Finlay and Grahame Smith to develop the messages around fair work. This should be a discussion at a future meeting.**

#### **Item 5. Strategic plan – next steps**

The Board then held a session looking at next steps - what needed to happen to make the Plan happen and how was the Board going to approach implementation and monitoring of progress?

The Mission leads – agency CEOs and Member leads - each set out their views on how to translate mission actions into reality, as follows.

*Mission: Business Models and Workplace Innovation*

Work will focus on understanding what works well, areas to align around and what resource and support for businesses is needed – SDS and SE will have a joint team which will take the mission forward but other agencies will want to engage.

Industry collaboration will be an area of focus – they are keen to be involved, and there are already a number of offers from Industry Leadership Groups to engage. There should be an industry solution facilitated by the public sector.

Agencies have yet to translate the Plan into guidance for staff so that businesses are engaged across the piece. Local authorities need to understand how they fit in also.

The mission would return to the Board with stakeholder mapping – they would have some conversations to put some understanding and framework around it.

#### *Mission: Future Skills*

The parts within this mission are at different stages – some are already work in progress. The SFC board is aligned with the Plan and is making changes in order to deliver the actions.

For Skills Alignment and 5 stage planning model, the joint skills director has developed a project plan. There are discussions about shifting to the upskilling and reskilling agenda and there has been a positive response from Further Education. The Economic Action Plan has supported the principle of accelerating the Learner Journey recommendations.

More work is required into what the future is going to look like and what that means for Higher and Further Education. How can the sectors engage more with SMEs – there are good examples out there. Considering the needs of the future may require some optionality when testing it with businesses.

#### *Mission: Business Creation and Growth*

Agency core activity is already supporting the objectives of the mission, for example the scale up actions build on what is already happening. The campaign to foster entrepreneurship needs a core group including marketing expertise – so this will be scoped out.

Regarding management skills and their potential impact on productivity, the mission recognises the need to work with the other missions.

The Analytical Unit supporting work on measures will be important – to help gauge what can be successful. The SME voice needs to be heard too including rural SMEs and microbusiness.

On the local government side there is more to consider than Business Gateway – local authorities are also embedding entrepreneurship in the curriculum.

#### *Mission: Exporting*

There is a great deal of work happening in this space which the mission is building on – e.g. the recent Scotsexport event – 58% of those attending had never exported. The Prepare for Brexit work and SDI's work on global networks is of significant relevance too.

The challenge is how to build on this and sequence it. There are interdependencies with customer journey work and the digital entry point, so the mission will look to harness that programming approach.

The mission will look to engage business and focus on what will be different for businesses.

*Taking the missions forwards - general discussion:*

A need to delineate strategic and operational responsibilities was identified – the roles of the Strategic Board and agency boards' role. It would be useful to map the recommendations and actions - some of these will be overseen by the Board and some by SG - some may move to the agency Boards for delivery.

Measurements for missions should also to be part of that - what are the agencies going to take forward? The Board needed to understand the expectations of SG, particularly in the skills space. Some of these changes can only happen with some strong moves in government.

The Board should stay strategic and avoid granularity - instead it should articulate the collaboration across the actions and missions and focus on the outcomes and differences made.

The Board should consider other potential missions at the next meeting – especially innovation.

- **Action 3 – look to provide the project definitions in January**
- **Action 4 – Secretariat to map the recommendations and actions to support understanding of governance.**
- **Action 5 – The Board should consider potential other missions at the next meeting – especially innovation.**

## **Item 6. Working with Local Government**

Hugh Lightbody and Pamela Stevenson then presented to give the Board a better picture of the role of local government, the collaborative working that was already happening and how the Board might support a more effective system.

Areas covered included:

- The findings of the SLAED Performance Indicators Framework Report which provides evidence on the economic impact of local government economic development activities and uses data to understand impact and identify areas for improvement.
- The Structure, remit and impact of Business Gateway and the collaborative working that already happens with the agencies, and the various areas of support that it provides to businesses. From start up through to exporting, and signposting to other specialist support.

The Board the discussed areas including:

- Addressing segmentation across the business journey and how to join it up, but also a recognition that it is not always a continuum for businesses – they duck in and out.

- That there was a need for regional variation at operational level but that Council leaders are up for change – a core national service with regional flexibility.
- An operational models review is a current project – SE is investing in a piece of work to understand perspectives of all parts of the system to then look to organise that into a picture for the future.
- BG has a role of signposting - point of entry needs to be simple and this will mitigate the need for a smooth pipeline.
- There is no consistent diagnostic around which service is required - effective online diagnostic for businesses is the goal.
- The possibility of agency-fluid teams including Business Gateway.

### **Item 7. Measuring the impacts and outcomes of skills investments**

The Analytical Unit provided a paper and slides in advance setting out how it would be possible to measure the impacts of many of the agencies' activities on productivity, equality, wellbeing and sustainability.

Patrick Watt from the Analytical Unit and Damien Yeates presented on the ALTO model of assessing impact of Modern Apprentices and the evidence for the impact of MAs on outcomes including employment, wages, economic impact, as well as opportunities for extending the approach to other areas of skills provision.

An extended approach should drive choice for learners and information around those choices and inform where the emphasis should be.

### **Item 8. User Journey and online portal**

Jane Martin from SE and colleagues close to the project presented on the emerging central online portal. Areas covered included:

- That there was far more complexity and opportunity than initially anticipated and that a full programme management approach was required. There was an emerging strategic programme.
- A design sprint approach had been used – customer experience design prototyping.
- The business user was the focus, the project wants to be able to progress at pace and for it to be easy to understand.
- The project was establishing KPIs to understand if it is working.
- The project had developed a digital design prototype and were engaged in user testing.
- Next steps - critical decisions had to be made around the availability of resource and key partner staff to provide support.

### **Item 9. 'Prepare for Brexit' presentation**

Linda Murray from SE and Chris Brodie from SDS presented, covering:

- The Team Scotland approach that had been used, encompassing all the agencies.
- The level of preparedness for Brexit among businesses.

- Business concerns relating to Brexit.
- The number of EU nationals working in Scotland and the roles they fulfil in the economy.
- The Prepare for Brexit website and the tools and resources available to businesses.

**Item 10. Governance and membership**

The Chair spoke briefly to the paper and set out her intentions for the next meeting.

**Item 11. AOB**

There was no further business.

The Chair thanked members for their input and closed the meeting.