

Consultation on the Scottish National Investment Bank Bill

Analysis of Responses

February 2019

Abbreviations

the Bank	The Scottish National Investment Bank
CEO	Chief Executive Officer
SME	Small and medium-sized enterprises
SCDI	Scottish Council for Development and Industry
SDG	Sustainable Development Goal
KPI	Key Performance Indicator
PLC	Public Limited Company
ICAS	The Institute of Chartered Accountants of Scotland
LINC Scotland	The Scottish Angel Capital Association
SEPA	Scottish Environmental Protection Agency

Glossary of Terms

Ethical Investment	The Bank's objectives to adhere to the following principles when investing: Equality; Transparency; Diversity; and Inclusion.
Inclusive Growth	Economic development that advances equitable opportunities for economic participants with benefits incurred by every section of society.
Sustainable Economic Growth	Economic development that sustains natural resources and the environment for future generations.
Low Carbon Economy	An economy based on low carbon power sources, with minimal output of greenhouse gases. Also considered a decarbonised economy.
Circular Economy	An economy in which resources are kept in use for as long as possible, the maximum value is extracted whilst in use, then products are recovered and regenerated into materials at the end of each service life.
One Planet Prosperity	Regulatory Strategy published by SEPA in August 2016.
Collevocchio Declaration	Declaration published by Bank Track detailing proposed roles and responsibilities of financial institutions with an environmental and socially sustainable remit.
Patient Capital	Long term capital where the investor is willing to make a financial investment in a business with no expectation of turning a quick profit in order to maximise social returns.

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1. Executive Summary

The Scottish Government's 2017/18 Programme for Government contained a commitment to establish a Scottish National Investment Bank to provide mission led, long-term patient capital, to help companies grow and support Scotland's economic vision.

By aligning its aims and objectives with Scotland's Economic Strategy, the Bank has the potential to transform and grow Scotland's economy.

Objectives and Purpose of the Consultation

It is the Scottish Government's intention that the Bank will be operational in 2020 and an associated draft Bill is planned for introduction in early 2019. As part of this process the Scottish Government ran a public consultation during September and October 2018 to help shape the Bill. This was augmented by a series of engagements with key stakeholders.

The consultation was intended to help inform and further refine how the Bank will operate, how its relationship with Ministers and the wider population will develop, and how its strategic direction will be set by its missions. Through the consultation and key stakeholder engagements, the Scottish Government will gather different views on priorities for investment and governance of the Bank and use them to inform the proposals that will be included in legislation.

The consultation asked 16 questions which can broadly be categorised into 5 areas:

- The opportunity and the Bank's objectives and purpose
- The focus for investment activities
- Operating model, classification and capitalisation
- Governance and relationship with Ministers
- The Bank's staffing and employment arrangements

A wide range of views were expressed in response to the consultation which have been captured as part of this analysis.

Response

The consultation received 1,443 responses before it closed on 31 October 2018. This comprised of 40 responses from organisations, 1,383 responses as part of a campaign from Friends of the Earth Scotland and a further 20 responses from individuals. Of the Friends of the Earth Scotland responses, 1,360 used a standard template, therefore, for the purposes of analysis this has been captured as 1 response. The remaining 23 have some form of variation, and are analysed separately. Therefore, for the purposes of analysis there are 84 responses.

In addition, 9 stakeholder workshops and 12 bilateral meetings were held between 26 September 2018 and 1 November 2018 with key stakeholders.

The consultation contained a mix of open and closed questions, and the analysis reflects the mix of quantitative and qualitative responses. Submissions were received through the Scottish Government's Consultation Hub (Citizen Space), and additional responses, including the Friends of the Earth Scotland campaign response, were directed to the Bank's dedicated mailbox.

Purpose of this paper

The Scottish Government has engaged Deloitte LLP to assist in the analysis of responses to the consultation; and this document sets out the resulting analysis of the responses and the outcomes from the above engagements with key stakeholders.

This paper has been shared with the Bank's Programme Board who oversee the Implementation phase prior to publication. It has also been provided to the Bank's Programme Team to inform the development of the Bill and relevant documentation which will be introduced in early 2019 and will underpin the establishment and capitalisation of the Bank.

Key Findings

The outcomes of the key areas of focus for the consultation are summarised within this section and detailed in section 5 of this document. The definition of "some", "several", "many" and "significant" respondents indicates:

- "some" – 5 to 9 responses
- "several" – 10 to 14 responses
- "many" – 15 to 19 responses and
- "significant" – more than 20 responses.

Full definitions are described in the Methodology section.

The opportunity and the Bank's objectives and purpose

Respondents were asked to give their views on the proposed objectives and purposes of the Bank, and share views on the statement of the Vision for the Bank. Overall a significant number of respondents, including those who attended the stakeholder and bilateral meetings, were supportive of the creation of the Bank and its objectives and purposes.

- Many respondents supported the Bank's potential for increasing sustainable economic growth.
- Several respondents supported the view that ethical investment should be targeted.
- Some respondents supported the view that investment needs to be targeted towards SMEs who wish to grow their businesses.
- Many respondents supported the Bank's Vision to help move Scotland towards a low carbon economy.

The focus for investment activities

Respondents were asked to give their views and opinions around the Bank's proposed investment activities. This includes the Bank's mission-based approach, relationship and structures, approach to investment, and the Bank's ethical commitment.

- Many respondents were in favour that the overall direction for the Bank should be set by Ministers through a Strategic Framework.
- Some respondents suggested that Ministers should have access to external input to inform any decisions made.
- A significant number of respondents indicated that carbon reduction should be a key mission.
- A significant number of respondents supported the Bank's ethical approach to investment.
- Many respondents were in favour of the Bank identifying and implementing an Investment Strategy.
- Some respondents shared the view that investments should be made to either Scottish companies, companies with a substantial presence in Scotland or where a positive economic impact will be made in Scotland.

Operating model, classification and capitalisation

Respondents were asked to give views and opinions on the proposed operating model, classification and capitalisation of the Bank.

- Some respondents supported the public limited company model suggested, while a small number of respondents suggested a cooperative model could be used.
- Some respondents agreed with the method of capitalisation.
- Some respondents commented that the level of capitalisation was inadequate to deliver the transformative impact desired.
- Many responses emphasised the importance of stakeholder engagement.
- Several respondents agreed that the Bank should be operated and kept within the public sector.

Governance and relationship with Ministers

Respondents were asked to give views and opinions on the proposed governance arrangements of the Bank.

- Several respondents agreed with the proposed approach to the Bank's governance and Board arrangements, however, there were a small number of differing views as to the recommended size of the Board. Generally most respondents suggested that the Board should be between 8 and 12 people.
- A small number of respondents were supportive of the Advisory Group, highlighting its ability to offer long-term strategic development advice. However a small number of respondents were unsupportive stating that it was unnecessary although no alternative was suggested.
- Several respondents were supportive of involving a wide range of stakeholders in the governance of the Bank; and aware of the importance of a wide representation within the governance structure particularly the Advisory Group.
- Several respondents supported the delegation of powers, generally stating the need to operate commercially and independently from Government.

The Bank's staffing and employment arrangements

Respondents were asked to give views and opinions on the Bank's staffing and remuneration.

- Some respondents recognised that to attract senior staff with the right skills and experience then a competitive salary would need to be offered.
- Several respondents supported the Public Sector Pay Policy across the entire institution.
- A small number of respondents commented on equality within the Bank's pay structure, expressing the importance of the Bank acting as a living wage employer.

Differing views

While a significant number of respondents supported the creation of the Bank, a small number of respondents raised concerns over the Bank's objectives and purpose.

- A small number of respondents provided a view that the potential services and scope of the Bank were already provided within the banking industry.
- Some respondents raised concerns over whether the proposals for capitalisation were sufficient to support the objectives of the Bank.
- A small number of respondents remarked that the Bank could be open to political pressure or manipulation through its implicit governance structure.
- Some respondents raised concerns over the Bank's approach to remuneration.

2. Introduction and background

Policy context

The Scottish Government's 2017/18 Programme for Government contained a commitment to establish a Scottish National Investment Bank to help companies grow and support the Scottish Government's economic vision.

The Bank is expected to build upon the success and align and complement the work of Scotland's enterprise agencies and other Scottish Government bodies, addressing challenges within the Scottish economy, including access to finance particularly the lack of strategic, patient capital.

The creation of such a bank follows international practice, with a range of other developed countries using national investment banks to provide cornerstone equity and debt financing, as well as engage in market-shaping activity, designed to support economic growth.

The Scottish Government appointed Benny Higgins to develop an Implementation Plan for the Bank and fulfil the Terms of Reference set for this work. A public consultation ran from 20 October 2017 to 20 November 2017. Responses were used to inform the implementation plan. The plan was published in late February 2018.

In the Scottish Government's 2018/19 Programme for Government, the First Minister announced plans to introduce legislation to formally underpin the Bank. Having received parliamentary support, the Scottish Government is now taking forward the Implementation Plan to create the Bank and for the Bank to be operational in 2020.

The consultation and engagement with stakeholders will inform the draft Bill that will be brought forward in early 2019.

Consultation exercise

To inform this process a public consultation was launched to invite comments and suggestions from stakeholders and civic Scotland on a series of key issues on the creation of the Bank. The consultation was launched on 5 September 2018 and focused on the Bank's objectives, purpose and governance. The questions in the consultation fell under five key headings.

- The opportunity and the Bank's objectives and purpose
- The focus for investment activities
- Operating model, classification and capitalisation
- Governance and relationship with Ministers
- The Bank's staffing and employment arrangements

The consultation received 1,443 responses before it closed on 31 October 2018. This comprised 40 responses from organisations, 1,360 responses as part of a campaign from Friends of the Earth Scotland and a further 43 responses from individuals.

The consultation contained the following questions, in a mix of open and closed formats.

- **Question 1:** Are the proposed objectives and purposes for the Bank the most appropriate to deliver the Implementation Plan's recommendations, and to fulfil the Bank's potential contribution to increasing sustainable economic growth?
- **Question 2:** Do you have views on the statement of the Vision which has been set for the Bank, in paragraph 3.2?
- **Question 3:** Do you agree that the overall direction for the Bank should be set by Ministers through a Strategic Framework, including the setting of missions and performance objectives and a target rate of financial return?
- **Question 4:** Do you have any views and suggestions on the examples of missions, outlined in paragraph 4.7 and what are these?
- **Question 5:** Do you agree that the Bank should identify and implement an Investment Strategy, which is along the lines suggested?
- **Question 6:** Are there any arrangements or requirements not already considered that would inform the Equalities Impact Assessment and strengthen and enhance the Bank's ethical approach to investment, and what are these?
- **Question 7:** Do you agree with the principles approach that is proposed for the Bank, including publication of an Ethics Statement by the Board?
- **Question 8:** Is there a better option than the Public Limited Company model, and if so what is it and why?
- **Question 9:** Do you have views at this stage on the proposals for capitalisation of the Bank?
- **Question 10:** Do you have views on how the governance and classification of the Bank should evolve over time, and if so, what measures and protections should be included now to guide and inform a future change in governance and classification of the Bank?
- **Question 11:** Do you agree with the proposed approach to the Bank's governance and Board arrangements which will inform the Bill, the Articles of Association and a Strategic Framework document?
- **Question 12:** Do you have any comments on the need for the Bank to have Delegated Powers, in order to achieve the aim of it being operational and administratively independent?
- **Question 13:** Do you have views on whether and how an Advisory Group could provide advice to Ministers on the progress being made by the Bank?
- **Question 14:** Do you have views on the initial operating model and costs identified in the Implementation Plan and what are these?
- **Question 15:** Do you have views on any criteria for the approach to remuneration for senior and specialist roles in the Bank?
- **Question 16:** Do you have views on areas where the current approach to public sector pay would suit the needs of the Bank, and are there other examples of variations in public pay policy that would be suitable for the Bank and any areas where some changes may be needed?

The Scottish Government engaged Deloitte LLP to assist in the analysis of responses to the consultation and this document sets out an analysis of these consultation responses and aims to document the full range of views expressed around each key theme identified.

Stakeholder workshops and bilateral meetings

The consultation process was augmented by officials hosting 9 stakeholder workshops including the Business in the Parliament Conference and 12 bilateral meetings with key stakeholders. Officials also attended the Scottish Cities Alliance CEO meeting and an SCDI Orbit Breakfast Briefing to promote the consultation and gather views and opinions on the Bank. These events took place between 26 September 2018 and 1 November 2018.

Section 6 summarises the views and insights gathered through these engagements. Although the discussions were not framed within the prescriptive question format of the consultation, the themes and views identified have been presented within the same format as the analysis seen in section 5.

Methodology

It is important to note that public consultations are not necessarily representative of the views of the wider population. This is because it is open for anyone to submit their views, and individuals or organisations who have a keen interest in a topic are more likely to participate in a consultation than those who do not. Therefore, it is not necessarily appropriate to conclude that the views of the consultation respondents represent the views of the wider population.

The consultation contained a mix of open and closed questions so the analysis contains a mix of quantitative and qualitative analysis. The purpose of analysis is to understand the full range of views expressed. In analysing the qualitative responses, the following methodology was adopted to give the reader an expectation regarding the scale of responses:

- A small number of respondents indicates fewer than 5 responses.
- Some respondents indicates 5 to 9 responses.
- Several respondents indicates 10 to 14 responses.
- Many respondents indicates 15 to 19 responses.
- A significant number of respondents indicates 20 or more responses.

3. Profiling the respondents and responses

This section presents information about the respondents and type of responses received by the consultation. It also describes the way in which responses were received and grouped for analysis. In addition, it provides a brief description of the campaign response facilitated by Friends of the Earth Scotland.

How responses were received

Responses for the consultation were received online via the Scottish Government's Consultation Hub and directly to the Bank's email inbox.

One campaign group, Friends of the Earth Scotland, co-ordinated responses amongst their members and supporters. These campaign responses were based on a standard text provided by the organisation and were submitted to the Scottish Government's dedicated Bank email inbox. Respondents were also given the option to edit the standard campaign response and add their own comments.

Ten organisations provided responses in separate documents which were "free-form" and did not necessarily address each question within the consultation. These responses were analysed and included where pertinent to the relevant questions.

Number of responses included

Altogether, 1,443 responses were submitted to the consultation. 40 responses were received through the Consultation Hub, with a further 20 responses submitted to the Bank's mailbox. The remaining 1,383 responses were submitted through the Friends of the Earth Scotland campaign response. Of these 1,383 responses, 1,360 used a standard template, therefore, for the purposes of analysis this has been captured as 1 response. The remaining 23 have some form of variation, and are analysed separately. Appendix A provides further detail on the analyses of the Friends of the Earth Scotland campaign.

In order to complete the analysis, the identical Friends of the Earth Scotland campaign response and the 23 responses that varied, along with the 20 mailbox responses were uploaded into the Consultation Hub, resulting in a total of 84 responses within the analysis.

Of the 60 responses not including the Friends of the Earth Scotland campaign, 40 were received from organisations and 20 from individuals.

Respondent groupings

For the purposes of analysis, respondents were grouped into five distinct groupings. This was done to highlight the differing opinions between certain sectors. The five groupings are:

- **Individual – Friends of the Earth Scotland:** This grouping contains the 23 responses from individuals that differed from the standard campaign response.
- **Individual – Other:** This grouping contains the remaining 20 individual responses.

- **Organisation – Friends of the Earth Scotland:** This grouping contains the Friends of the Earth Scotland organisation response and the standard campaign response.
- **Organisation – Private Sector:** This grouping contains 16 responses from organisations within the private sector.
- **Organisation – Public and Voluntary Sector:** This grouping contains 23 responses from organisations within the public and voluntary sector.

A list of all those organisations that submitted a response is included in Appendix C, along with the grouping assigned for analysis. It should be noted that not all organisational respondents gave permission for the publication of their responses. Where this is the case, responses have still been analysed as part of this report.

Responses to individual questions

As noted above, there were 1,443 responses to the consultation. Valid responses were considered on a question by question basis as summarised in section 5 of this report. However, not all respondents answered all of the questions and not all of the comments made within the response were directly relevant to that question. Some responses also included inappropriate and defamatory language and have not been published.

There was a moderation of the responses received and any which were defamatory have been excluded for the purpose of this analysis. Where individuals provided answers which were not relevant to that specific question, yet closely related to another question within the consultation, these opinions have been captured within the relevant and appropriate questions. It should be noted that not all individual respondents gave permission for the publication of their responses. Where this is the case, responses have still been analysed as part of this report.

4. Overview of responses and key themes

This section provides an overview of the responses and key themes identified and provides a broader context for understanding respondents' views. Responses generally fell within 9 broad themes identified across all 16 questions:

- Ethical Investment
- SME Growth
- Sustainable and Inclusive Growth
- Carbon Reduction
- Governance
- Stakeholder Engagement
- Openness and Transparency
- Financing
- Staffing

Strong support for the Bank

A significant number of respondents were supportive of the Bank's objectives and purpose, with many seeing it as an opportunity to support and grow Scotland's economy. A range of perspectives were provided, with many supporting the Bank's Vision to move to a low carbon, high-tech, connected, globally competitive and inclusive economy.

A significant number of respondents were supportive of the Bank's proposed investment activities, with many advocating the Bank's mission-based approach, and the investment strategy and ethical commitment. Whilst a range of views were expressed, the overarching opinion was that the Bank's culture, governance, and approach to businesses and individuals must be different to that of other financial institutions.

Several respondents were supportive of the Bank's operating model; and a significant number of respondents supported the Bank's governance arrangements, and the fact that the Bank should be accountable to Scottish Ministers, whilst maintaining operational independence.

Differing views

While a significant number of respondents supported the creation of the Bank, a small number of respondents raised concerns over the Bank's objectives and purpose. These respondents noted that the potential services and scope of the Bank were already provided within the banking industry.

Some respondents raised concerns over whether the proposals for capitalisation were sufficient to support the Bank. Others remarked that the Bank could be open to political pressure or manipulation.

Finally, some respondents raised concerns over the Bank's approach to remuneration.

5. Analysis of questions

This section contains an in-depth analysis of the views and opinions shared during the consultation process. The themes and views identified have been presented within the same format as the consultation paper. It should be noted that there are instances where a single response has been stated. In such cases, the response was judged to be pertinent to the question, and often provided an alternative view.

5.1. The opportunity and the Bank's objectives and purpose (Questions 1 and 2)

This section discusses the views and opinions of respondents in assessing the proposed objectives and purposes for the Bank; and also to gain insight into respondents' views on the Bank's Vision. Respondents were asked to consider two questions:

- **Question 1:** Are the proposed objectives and purposes for the Bank the most appropriate to deliver the Implementation Plan's recommendations, and to fulfil the Bank's potential contribution to increasing sustainable economic growth?
- **Question 2:** Do you have views on the statement of the Vision which has been set for the Bank, in paragraph 3.2?

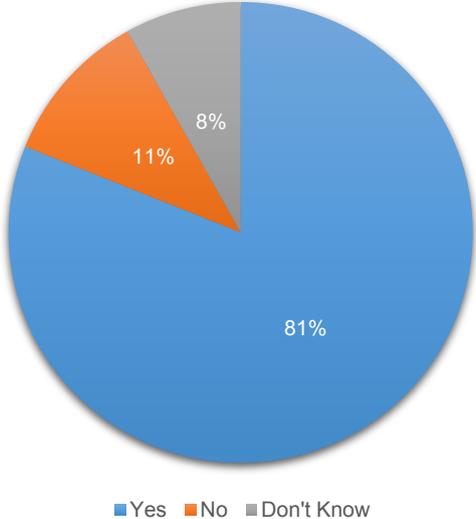
Question 1 was made up of two parts, firstly it allowed respondents to give a pre-defined response with the options of "Yes", "No" and "Don't Know"; and then gave the respondents the opportunity to provide further explanation for their answer. It should be noted that not all respondents who answered from the predefined list gave a further explanation and vice-versa. Question 2 was open-ended and allowed respondents to provide comments and views on the question.

Each question has been considered individually in the following sections.

Question 1

For the first part of Question 1 there were 37 valid responses, 44% of all respondents. Overall, respondents were in favour of the Bank's proposed objectives and purposes as illustrated in Figure 1.

Figure 1: Question 1 Responses – Are the proposed objectives and purposes for the Bank the most appropriate to deliver the Implementation Plan’s recommendations, and to fulfil the Bank’s potential contribution to increasing sustainable economic growth?



Source: Consultation Hub

81% of respondents supported the view that the Bank’s proposed objectives and purposes are most appropriate to deliver the Implementation Plan’s recommendations, and to fulfil the Bank’s potential contribution to increasing sustainable economic growth.

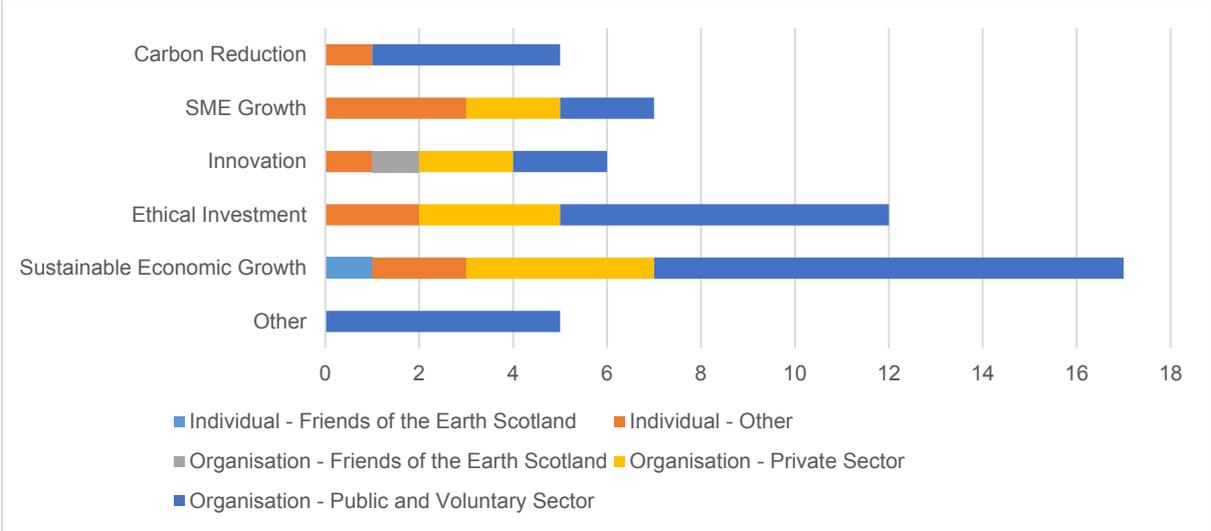
For the second part of Question 1, respondents were asked to provide further explanation on whether “the proposed objectives and purposes for the Bank were the most appropriate to deliver the Implementation Plan’s recommendations”. There were 46 valid responses recorded, 55% of all respondents. Within these responses, 9 free-form responses are included as they covered matters relevant to the question.

Responses generally fell within broad themes, responses which did not address a common theme were captured under “Other”. Each of these are explored in further detail, the main themes identified were:

- Carbon Reduction
- SME Growth
- Innovation
- Ethical Investment
- Sustainable Economic Growth

The responses for each key theme are profiled in Figure 2; it should be noted that some responses covered more than one theme.

Figure 2: Question 1 Themes



Source: Consultation Hub

Carbon Reduction

It was generally supported that investment should be targeted towards a low carbon, sustainable future; and that the Bank should help fund renewable energy initiatives, such as wind, solar and wave power. A small number of respondents commented that clarity is needed to understand how environmental sustainability will feature in the Bank’s investment activities. It should be noted that the Cabinet has agreed transferring to a low carbon economy as a possible early mission for the Bank.

One respondent expressed the view that the Bank’s low carbon objective should be aligned to environmental sustainability strategies, such as the Scottish Energy Strategy or Energy Efficient Scotland programme.

SME Growth

Responses were generally supportive of the Bank’s objective to serve SMEs who wish to grow their businesses. Some respondents commented that the Bank presents an opportunity to support SMEs through patient capital investment who may otherwise struggle to get financing through traditional means. There were, however, a small number of respondents who expressed the view that the Bank should not be an easy way for SMEs to gain cheaper financial products than are already available to them, and should be for those who truly struggle to get financing.

Innovation

Respondents were supportive of the Bank’s objective to support innovation, with Friends of the Earth Scotland commenting that it was critical that the Bank supports emerging technology. Some respondents expressed the view that the Bank should help fund new innovation, such as biotechnology and the creative industries sector.

A small number of respondents commented that the provision of patient capital will be vital to support innovation in Scotland.

Ethical Investment

Several respondents supported the Bank's approach to investing ethically. Some respondents commented that it is important for the Bank to have a structure which allows it to invest ethically in areas such as social infrastructure, affordable housing, community investment; and investment which would not otherwise be attractive to private investors, but which would improve quality of life, public health and the natural environment in Scotland.

It was agreed by some respondents that the Bank should not have a retail arm given the competition which already exists in this market, and should focus on investment which is not currently provided in the commercial market.

Sustainable Economic Growth

Responses were generally supportive of the Bank's objective to increase sustainable economic growth, with several respondents explicitly supporting the Scottish Government's priority to increase sustainable economic growth. A small number of respondents agreed that a long-term view on growth was essential and this could be achieved through the provision of patient capital and a mission-led focus.

One respondent commented that achieving regional economic growth is a critical component of a strategic approach to creating and sustaining balanced and inclusive growth in Scotland. Another respondent commented that effective measurement of the Bank's impact on the economy over a longer time period will be important in determining the Bank's success and value for money.

One opposing response expressed the view that the aims of the Bank should not include sustainable economic growth but should instead focus on alignment with climate change strategies. Another view was that the consultation paper lacked rigorous analysis of the gaps in the investment market.

Other

A number of other themes were identified that did not fall under any of the broad themes already identified. One respondent identified the need for the Bank to carry out risk assessments to consider environmental risk as part of any investment. A small number of respondents expressed the view that the specific needs and opportunities of women should be considered within the Bank's objectives, and that there should be a specific focus on businesses owned or led by women.

One respondent commented that the Bank's objectives should include a focused investment on housing development and growth in small scale house builders in more rural areas.

Question 2

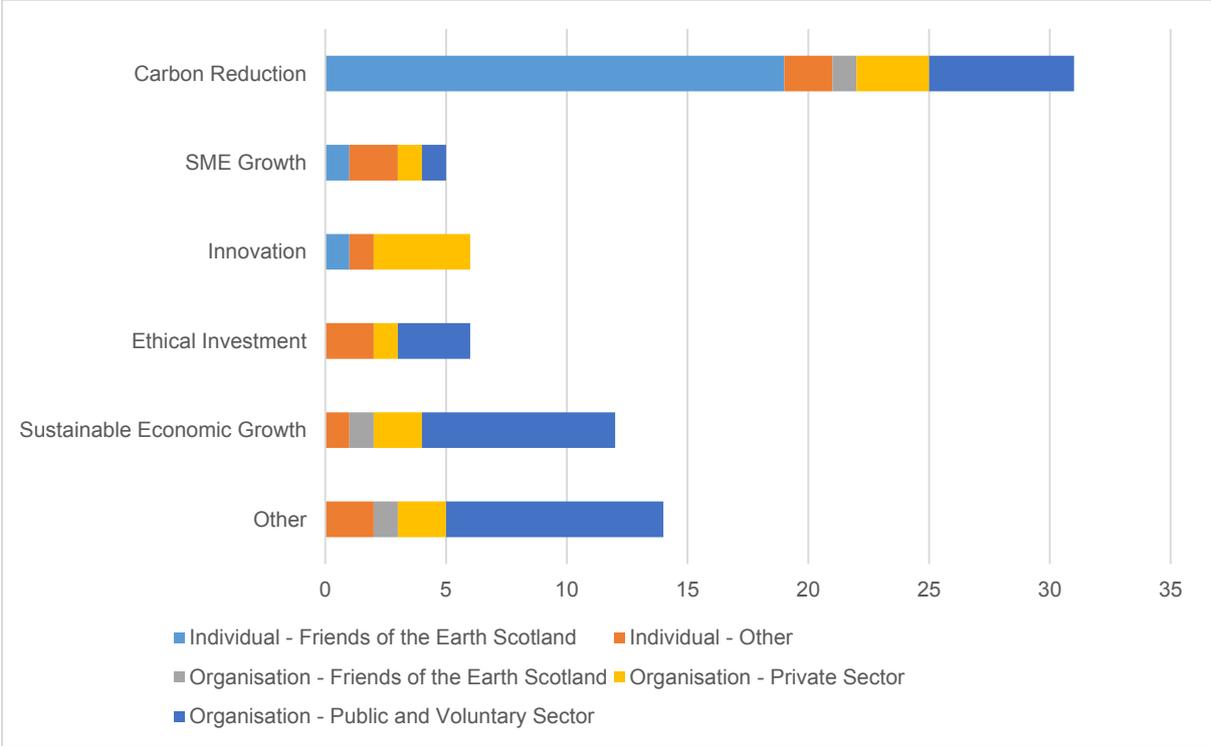
Respondents were asked to provide "views on the statement of the Vision which has been set for the Bank". There were 62 valid responses recorded, 74% of all respondents. Within these responses, 7 free-form responses are included as they covered matters relevant to the question.

Responses generally fell within broad themes, responses which did not address a common theme were captured under “Other”. Each of these are explored in further detail, the main themes identified were:

- Carbon Reduction
- SME Growth
- Innovation
- Ethical Investment
- Sustainable Economic Growth

The responses per grouping are profiled in Figure 3; it should be noted that some responses covered more than one theme.

Figure 3: Question 2 Themes



Source: Consultation Hub

Carbon Reduction

It was generally supported that the Vision should include the move towards a low carbon economy. Many respondents, including Friends of the Earth Scotland, expressed the opinion that the Bank’s Vision should be to provide finance and act to catalyse investment for the move to a low carbon economy. A small number of respondents also commented that the Vision should also include explicit reference to the circular economy with the aim of reducing consumption of raw materials.

A small number of respondents suggested that focus should not solely be on low carbon as there is already a significant number of lenders willing to provide financing in this sector, and other types of businesses are important in the wider economy.

One respondent also expressed the view that clarity was needed around how the Bank plans to make the transition to green energy.

SME Growth

Responses were supportive of the Bank's focus to support SMEs. Some respondents expressed the view that SME growth should be a focus of the Bank's Vision and that support of SMEs is essential to achieve growth for the Scottish economy.

Additionally, one respondent also welcomed the Bank's Vision, and in particular its aim of increasing the quantity and quality of business investment in the Scottish economy and supporting growing businesses.

One respondent commented that the provision of patient capital could protect ambitious SMEs from potential future recessions.

Innovation

Respondents generally supported the Bank's Vision to support and accelerate innovation, with a small number of respondents commenting that the Bank should focus on investment in advanced technological developments that will shape the future of Scotland and allow it to compete globally.

One respondent expressed the view that the Bank must truly support innovation, and not simply be a way to allow companies to access cheap financing for doing what they are doing now.

Ethical Investment

Some respondents expressed the view that the Bank delivers a focus on financial support for specific societal challenges such as social infrastructure, social enterprise, inequality and other appropriate social-capital activities.

One respondent recommended that the Bank considers a broader remit for the types of commercial activities that it intends to provide financial assistance to. The respondent commented that the Bank should be enabling, promoting or sustaining economic development at a local and community level.

Sustainable Economic Growth

There were differing views around the Bank's Vision to achieve growth for the Scottish economy. A small number of respondents expressed the view that the Bank will play an important role in increasing Scotland's level of economic growth through crowding-in investment, providing patient capital and through driving economic activity that is inclusive and environmentally sound. One respondent also commented that the Bank should adopt a Vision and missions that ensures that all investments contribute towards National Outcomes, act as a catalyst for private investment towards the Sustainable Development Goals, and support a sustainable and inclusive economy that is globally engaged.

An alternative view was expressed by some respondents; one respondent commented that there are industries in Scotland which could benefit from better access to finance but which do not fall within the categories indicated by the statement of Vision. In addition, a small number of respondents questioned whether there is sufficient focus on inclusive economic growth in the Vision and commented that the Bank needs to ensure that growth is spread across Scotland and across all ages and genders. Finally, one respondent stated concern that the Vision focuses too heavily on economic growth and too little on securing social and environmental benefits.

Other

A number of other themes were identified that did not fall under any of the broad themes already identified. A small number of respondents commented that further clarification is needed as to how the Vision will apply to certain sectors such as the creative industries sector and public sector. One respondent also commented that “inclusive growth” needs to be defined to ensure gender inequality is addressed in practice.

Some respondents expressed the importance of the Vision being protected in such a way as to be resistant to attempts to alter its initial purposes, and to ensure that it cannot be changed to align with any future political changes.

5.2. The focus for investment activities (Questions 3 to 7)

This section discusses the views and opinions of respondents around the Bank’s proposed investment activities. This includes the Bank’s mission-based approach, relationship and structures, approach to investment and the Bank’s ethical commitment. Respondents were asked to consider five questions:

- **Question 3:** Do you agree that the overall direction for the Bank should be set by Ministers through a Strategic Framework, including the setting of missions and performance objectives and a target rate of financial return?
- **Question 4:** Do you have any views and suggestions on the example of missions, outlined in paragraph 4.7 and what are these?
- **Question 5:** Do you agree that the Bank should identify and implement an Investment Strategy, which is along the lines suggested?
- **Question 6:** Are there any arrangements or requirements not already considered that would inform the Equalities Impact Assessment and strengthen and enhance the Bank’s ethical approach to investment, and what are these?
- **Question 7:** Do you agree with the principles approach that is proposed for the Bank, including publication of an Ethics Statement by the Board?

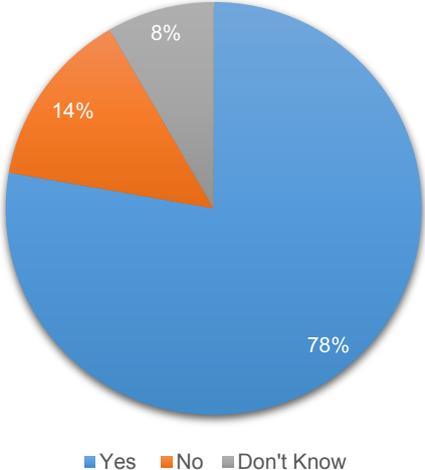
Questions 3, 5 and 7 were made up of two parts, firstly it allowed respondents to give a pre-defined response with the options of “Yes”, “No” and “Don’t Know” and then gave the opportunity to provide further explanation for their answer. It should be noted that not all respondents who answered from the pre-defined list gave a further explanation and vice-versa. Questions 4 and 6 were open-ended and allowed respondents to provide comments and views on the question.

Each question has been considered individually in the following sections.

Question 3

For the first part of Question 3 there were 36 valid responses, 43% of all respondents. Overall, respondents were in favour that the overall direction for the Bank should be set by Ministers through a Strategic Framework.

Figure 4: Question 3 Responses Do you agree that the overall direction for the Bank should be set by Ministers through a Strategic Framework, including the setting of missions and performance objectives and a target rate of financial return?



Source: Consultation Hub

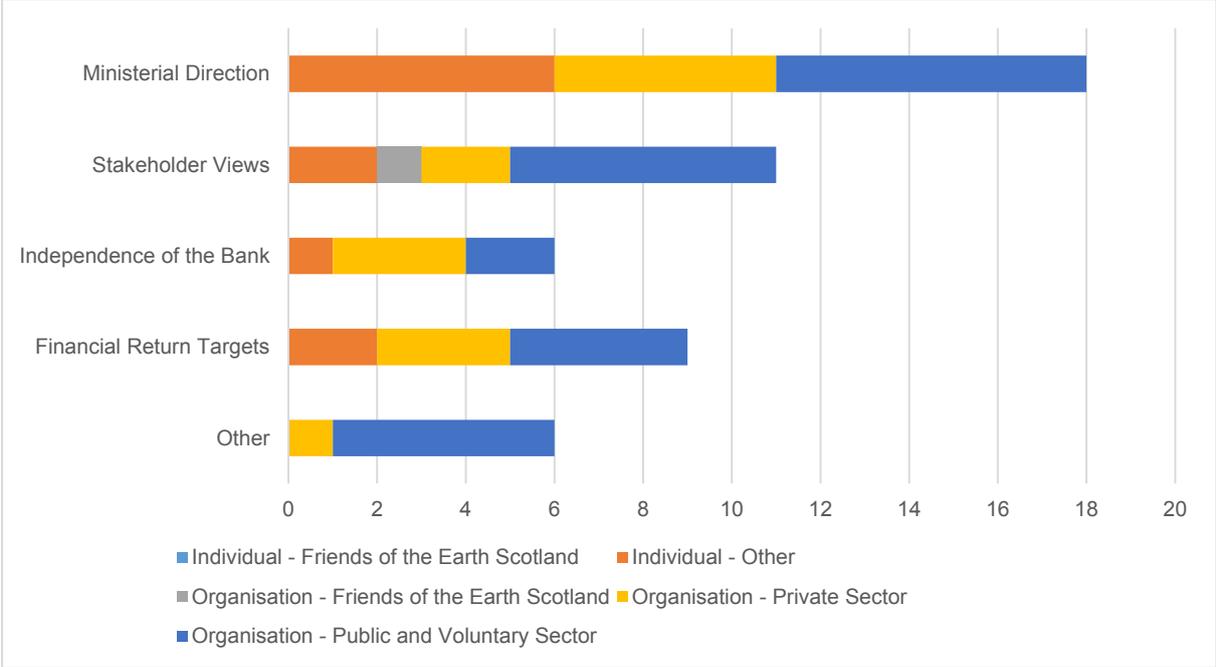
For the second part of Question 3, respondents were asked to provide further explanation on whether “the overall direction for the Bank should be set by Ministers through a Strategic Framework”. There were 39 valid responses recorded, 46% of all respondents. Within these responses, 3 free-form responses are included as they covered matters relevant to the question.

Responses generally fell within broad themes, responses which did not address a common theme were captured under “Other”. Each of these are explored in further detail, the main themes identified were:

- Ministerial Direction
- Stakeholder Views
- Independence of the Bank
- Financial Return Targets

The responses per grouping are profiled in Figure 5, it should be noted that some responses covered more than one theme.

Figure 5: Question 3 Themes



Source: Consultation Hub

Ministerial Direction

Whilst many respondents supported the view that the Strategic Framework for the Bank should be set by Ministers, there were a small number of differing opinions and other concerns raised. Many respondents agreed that setting out a Strategic Framework should be the responsibility of Ministers; and that it is important to establish a proper, transparent and robust Strategic Framework. Some respondents, however, expressed the view that after Ministers have set the Strategic Framework preventions should be put in place to avoid the Bank becoming a political instrument.

A small number of respondents also expressed the view that if the Bank is to have a long-term investment approach, it should consider how to balance this with potential shorter-term political interests and ensure consistency in the Bank’s activities is achieved regardless of future changes in Government.

Stakeholder Views

Some respondents expressed the view that the Strategic Framework for the Bank should be prepared in consultation with wider key stakeholders. Generally, respondents commented that Ministers need to have access to external input to inform the decisions made, and a number of suggestions were made.

One respondent suggested a tripartite stakeholder model where those with financial, public good and economic development interests are represented. A small number of respondents also suggested that the Bank should consult with leadership from the public sector (specifically local government). Additionally, one respondent suggested the Bank’s staff should be engaged in setting the Strategic Framework.

A small number of respondents also expressed the view that the Advisory Group should be involved in setting the Strategic Framework as a provider of industry and market-based expertise. It was also suggested that the Advisory Group will be more effective if it is given statutory status as a mechanism to balance any potential politicisation of the Bank.

Friends of the Earth Scotland commented that the Strategic Framework should embed the Bank being wholly mission-led and public-purpose driven in all it does.

Independence of the Bank

Respondents generally agreed that the Bank should be operationally independent from Government and should have a high degree of operational freedom in terms of delivering against the Strategic Framework. One respondent commented that targets should be set and the Bank should be allowed to operate freely to achieve these targets. Another respondent remarked that the Bank's autonomy, and its relationship with the Scottish Government and its other agencies, should be agreed and respected by all parties and clearly established by the Strategic Framework.

A small number of respondents expressed the view that operations of the Bank should not be influenced politically to avoid the purpose and objectives significantly changing.

Financial Return Targets

A small number of respondents expressed the view that the Board should be responsible for setting a target rate of return, and a small number of respondents also commented that this should be done in conjunction with key stakeholders such as the Advisory Group and then approved by Ministers.

A small number of respondents also remarked that financial return targets should not harm the Bank's social objectives and Ministers should not lose sight of the social impact the Bank aims to create. Another respondent commented that financial returns for the Bank have the potential to be impacted negatively by mission-based investment strategies and the Bank's performance indicators in this area should be set to make allowance for this.

Finally, one respondent suggested that KPIs should also include the Bank's broader social and economic remit alongside financial return targets.

Other

A number of other themes were identified that did not fall under any of the broad themes already identified. A small number of respondents commented that further clarification needs to be provided in terms of the Bank's mission-based approach and further detail provided on how the Bank will promote inclusive growth and the circular economy.

One respondent commented that a process of periodic review would be beneficial to understand the overall economic benefit which is achieved by the Bank. Finally, one respondent commented that when setting the missions of the Bank there should be lending criteria to promote equality through making it a lending requirement for potential beneficiaries to adopt policies and practices conducive to women's equality.

Question 4

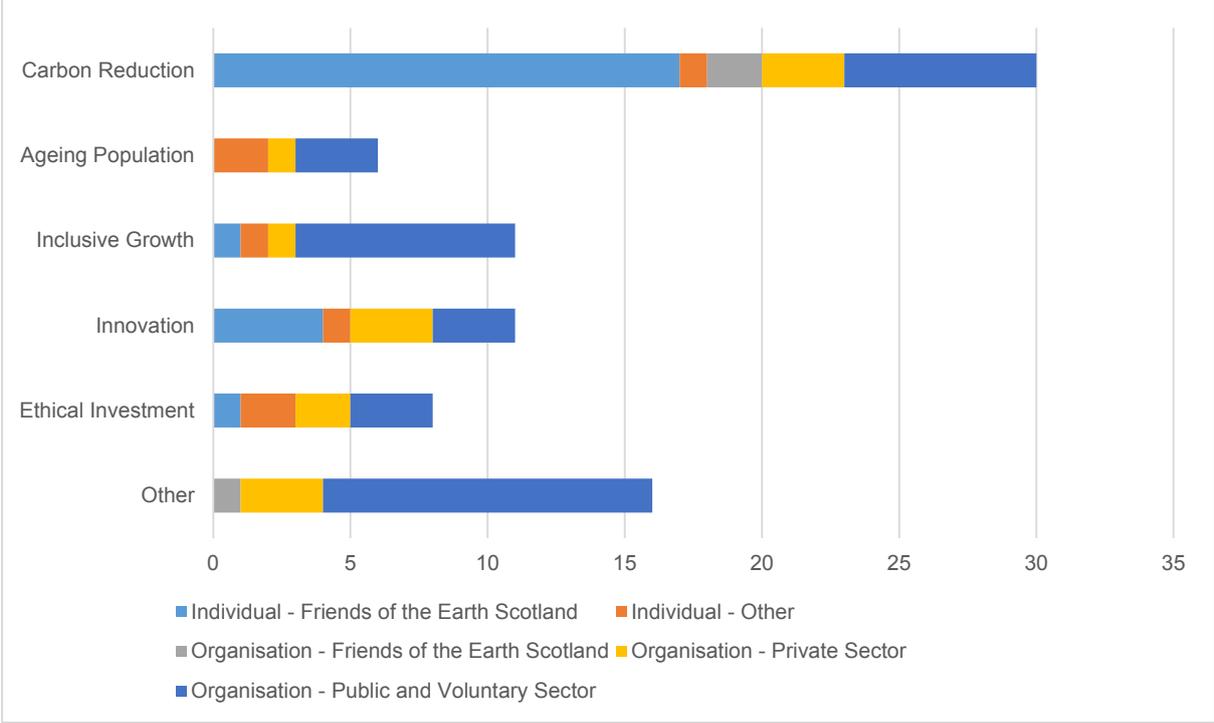
Respondents were asked to provide “views and suggestions on the example of missions”. There were 58 valid responses recorded, 69% of all respondents. Within these responses, 7 free-form responses are included as they covered matters relevant to the question.

Responses generally fell within broad themes, responses which did not address a common theme were captured under “Other”. Each of these are explored in further detail, the main themes identified were:

- Carbon Reduction
- Ageing Population
- Innovation
- Ethical Investment

The responses per grouping are profiled in Figure 6, it should be noted that some responses covered more than one theme.

Figure 6: Question 4 Themes



Source: Consultation Hub

Carbon Reduction

A significant number of respondents indicated that carbon reduction should be a key mission for the Bank. From the examples of missions provided it is clear that there is a view that the Bank should invest in projects which demonstrate significant cuts in carbon emissions, such as offshore wind, public transport, solar, offshore wave, renewable heating and cooling. One respondent also suggested providing finance for retrofitting of old houses, eco-homes, green energy and social enterprises.

A small number of respondents also suggested that the Bank's missions should include the circular economy with focus on productive use of recycling and wastes and the bio-economy.

One alternative view was that the Bank would struggle to compete with financial institutions who invest in green energy and renewables as this industry is already adequately covered by existing types of investment.

Ageing Population

A small number of respondents welcomed the Bank's mission to respond to an ageing population and one respondent identified it as the most important mission. There were, however, a small number of respondents who commented that clarity is needed around how the Bank will do this.

One respondent suggested it would be beneficial to have an understanding of what exactly is meant by responding to an ageing population and what areas the Bank will seek to invest as certain activities (nursing homes) are already covered by existing types of investment.

Inclusive Growth

Several respondents supported the Bank's aim to promote inclusive growth and commented that the focus on inclusive growth will require the Bank to be open to the provision of innovative financing and patient capital in order to drive inclusive growth. It was the view of one respondent that this will in turn allow the economy to grow and create employment and provide a rate of return to the Bank.

A small number of respondents expressed the view that gender equality must drive the missions and the Bank's lending criteria should focus on women from all backgrounds in order to promote women-owned businesses.

One respondent commented that further clarification on place-making and regeneration is needed as the definition of this is not clear from the Consultation.

Innovation

A number of varying suggestions were provided concerning innovation. A small number of respondents shared the view that a mission that might be considered is to capitalise on the science and technology work in Scotland's universities to improve access to education worldwide and using new technology to deliver this to a global audience.

A further view which was shared between some respondents is to position Scotland as a leader in innovation by investing in the financial technology sector, provide financing for precision medicine and investment in digital economy such as automation, robotics, artificial intelligence, big data, nanotechnology, biotechnology and investment in a new data infrastructure.

A small number of respondents also expressed the view that the Bank should focus on ecologically oriented activities such as investing in new farming techniques, green farming techniques and animal welfare.

Ethical Investment

Ethical investment is supported by many respondents. A small number of respondents commented that it is important for the Bank to have a strict ethical lending criteria and support should be provided to businesses whose aim is to improve the environment and the health and wellbeing of the people living in Scotland.

Another suggestion from a small number of respondents was for the Bank to consider missions around protecting fair work and tackling social issues such as fuel poverty.

Other

A number of other themes were identified that did not fall under any of the broad themes already identified. A small number of respondents commented that the Bank should engage with smaller organisations and local government when identifying missions.

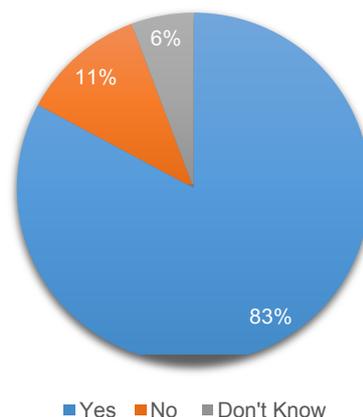
A small number of respondents also suggested that the Bank should support community land and asset development to help deliver the key infrastructure and community facilities that are required to support housing developments.

Some respondents also commented that the missions need to be further clarified and refined.

Question 5

For the first part of Question 5 there were 35 valid responses, 42% of all respondents. Overall, respondents were in favour of the Bank identifying and implementing an Investment Strategy.

Figure 7: Question 5 Responses Do you agree that the Bank should identify and implement an Investment Strategy, which is along the lines suggested?



Source: Consultation Hub

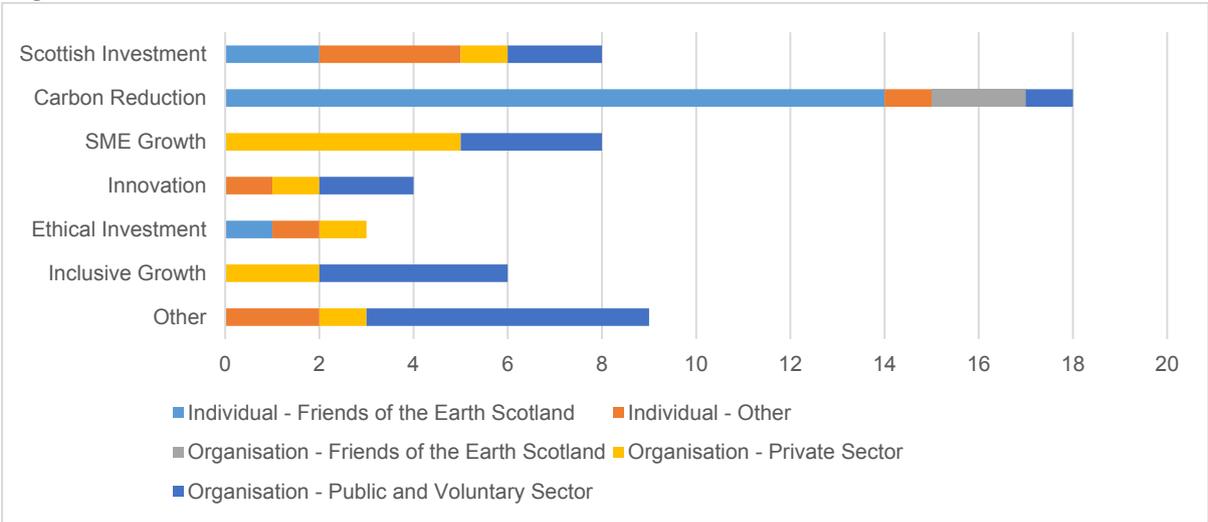
For the second part of Question 5, respondents were asked to provide further explanation on whether “the Bank should identify and implement an Investment Strategy”. There were 47 valid responses recorded, 56% of all respondents. Within these responses, 3 free-form responses are included as they covered matters relevant to the question.

Six recurring themes were identified in the responses to Question 5. Various responses which did not address a common theme were captured under “Other”. Themes identified:

- Scottish Investment
- Carbon Reduction
- SME Growth
- Innovation
- Ethical Investment
- Inclusive Growth

The responses per grouping are profiled in Figure 8, it should be noted that some responses covered more than one theme.

Figure 8: Question 5 Themes



Source: Consultation Hub

Scottish Investment

Some respondents agreed that investments should be made to either Scottish companies, companies with a substantial presence in Scotland or where a positive economic impact will be made in Scotland. Specifically, one respondent also included a focus on sustainability as a priority. One respondent mentioned that financing should allow growth across the entire spectrum of Scottish businesses, while another mentioned the financing should connect the Scottish economy to the global economy, and promote global investment within Scotland.

One respondent suggested the Bank should focus on public sector infrastructure and public housing to gain a stable portfolio. One respondent stated the need for support in rural development, the financing of co-ops and public interest companies. Finally, one respondent stated the financing should tackle inequality by aligning with the Community Empowerment Act and Child Poverty Act.

Carbon Reduction

Many respondents, including the Friends of the Earth individuals and campaign responses called for the Bank's activities to align with plans for delivering the Scottish Climate Change Act's targets, and should explicitly rule out lending to fossil fuel projects. Specifically, one respondent added that any investment towards the arms trade should be ruled out, while another added that fossil fuel projects should only be considered if carbon capture and storage are included.

The remaining responses regarding carbon reduction were all against high-carbon projects, with one respondent suggesting the investment strategy should consider a wide range of zero-carbon investment.

SME Growth

Some respondents supported the view that the Bank should focus on financing SME start up and growth. A small number stated the financing should target those businesses who find it challenging to secure commercial financing currently, while a small number mentioned specifically SMEs within the property and construction sectors as those who could benefit from the financing. Additionally, some respondents explicitly praised the commitment to patient capital.

One respondent stated that the view within the financial community is that there is a lack of demand from SMEs for growth financing, which is the reason for the absence of substantial investment. The respondent warned that SMEs may be wary of accessing finance and are not fully aware as to what financing is currently available.

Innovation

A small number of responses stated that the Bank's products should cater to the technology sector, and encourage the creation and shaping of new markets. One respondent explicitly stated that this would mean further tailoring of products beyond debt and equity.

One respondent suggested financing should focus on investments relating to innovation, and skills training.

Ethical Investment

One respondent specified that ethical investment should be a core and vital prerequisite to financing. Additionally, one respondent called for investments that have the potential to deepen inequality, or to reinforce commercial interests to be explicitly ruled out.

Inclusive Growth

A small number of respondents emphasised the importance of the Bank including mechanisms which allow and encourage inclusive economic growth. Specifically, one respondent requested the proposed strategy further identify how the Bank can further women's equality in the context of gender inclusive growth. One respondent suggested a focus on businesses owned or driven by women could be adopted as part of the economic objectives of the Bank.

With regard to business, one respondent suggested the Bank should target struggling businesses, and help to provide capital, while another stressed the importance of all areas of the economy benefiting from the Bank. Finally, one respondent added that there should be a commitment to the Bank delivering projects which benefit communities.

Other

A small number of respondents were unclear on how the Bank's risk appetite will differ from traditional banks, requesting any risk appetite proposed should be scrutinised by Ministers.

One respondent raised concern that the missions and risk strategy could restrict the Bank from operating effectively. Additionally, one respondent suggested that social impact should be a key consideration for the investment strategy.

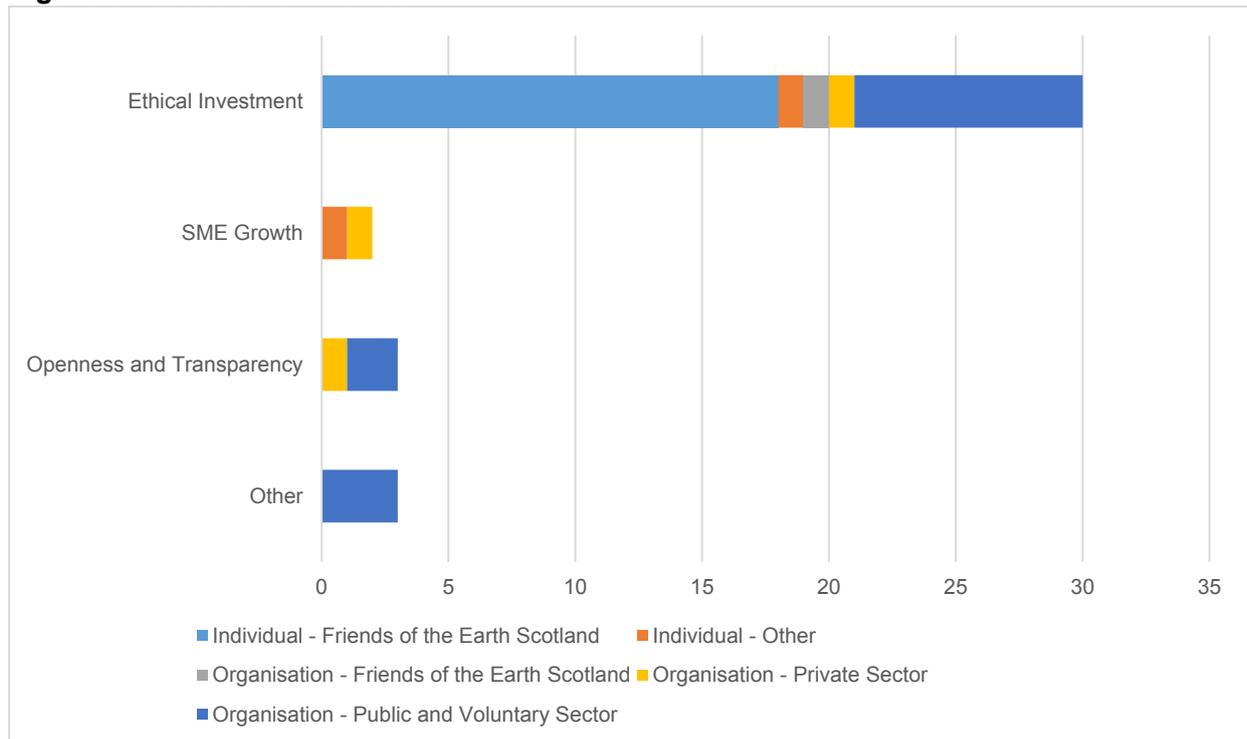
Question 6

Respondents were asked to provide views on whether "there were any arrangements or requirements not already considered that would inform the Equalities Impact Assessment and strengthen and enhance the Bank's ethical approach to investment". There were 38 valid responses recorded, 45% of all respondents. Within these responses, 5 free-form responses are included as they covered matters relevant to the question. Three recurring themes were identified in the responses to Question 6. Various responses which did not address a common theme were captured under "Other". Themes identified:

- Ethical Investment
- SME Growth
- Openness and Transparency

The responses per grouping are profiled in Figure 9, it should be noted that some responses covered more than one theme.

Figure 9: Question 6 Themes



Source: Consultation Hub

Ethical Investment

Many respondents, including the Friends of the Earth responses, suggested the Bank’s ethical lending criteria must rule out investing in projects causing pollution. One respondent suggested that financing should be ruled out for businesses where employers do not tackle existing inequality, while another stated businesses should be made to show how their projects will benefit the community, wages and workers as opposed to only shareholders. Additionally, one respondent stated ethical investment should also consider the impact to the global supply chain.

A small number of respondents specifically called for ruling out investment in projects that harm health and communities, such as tobacco and gambling, as well as unethical sectors such as the arms trade.

One respondent raised concern with unintentionally locking out certain businesses in need of financing, and recommended ethical arrangements should be developed with businesses to avoid this.

One respondent suggested that investment should be spread across all sectors, as opposed to just the private sector, and focus on financial inclusion and social enterprise. Additionally, it was mentioned that there should be consideration of the social impact of projects and their contribution to the wellbeing economy.

A small number of respondents stated that the Bank should encourage and aid the participation of women and marginalised groups. One respondent requested the Bank’s finance portfolio of projects and companies reflect Scotland’s diversity. One respondent suggested the Bank should evaluate the percentage of financing towards businesses owned or operated by women and ethnic minorities and ensure the make-up of the Bank’s Board addresses gender balance and representation of ethnic minorities.

Finally, one respondent requested further clarity on what the Bank considers ethical, and who is responsible for determining this.

SME Growth

One respondent suggested the Bank should ensure businesses maintain control when offering equity financing. Another respondent warned against burdening SMEs with reporting obligations around its performance against its equality and ethical investment targets.

Openness and Transparency

A small number of responses were supportive of the arrangements and requirements considered so far, with one respondent stressing that Bank officials must adhere to a code of conduct that supports the Ethics Statement.

One respondent was concerned that the Equality Impact Assessment was uncompleted at the time of the consultation, and questioned the possible efficacy of the assessment when completed so late in the policy development.

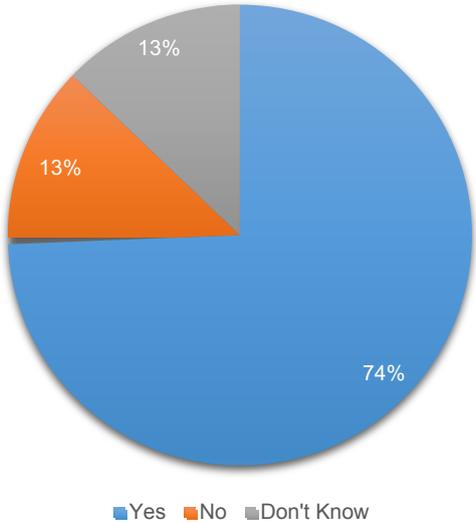
Other

One respondent suggested the development of a property portfolio, focusing on projects such as social housing, should be included within the Bank's ethical approach. One response stated the Bank should aid a reduction in poverty by aligning aims with the Sustainable Growth Commission's recommendations.

Question 7

For the first part of Question 7, there were 39 valid responses recorded, 46% of all respondents. Overall, respondents agreed with the principles approach that is proposed for the Bank.

Figure 10: Question 7 Responses Do you agree with the principles approach that is proposed for the Bank, including publication of an Ethics Statement by the Board?



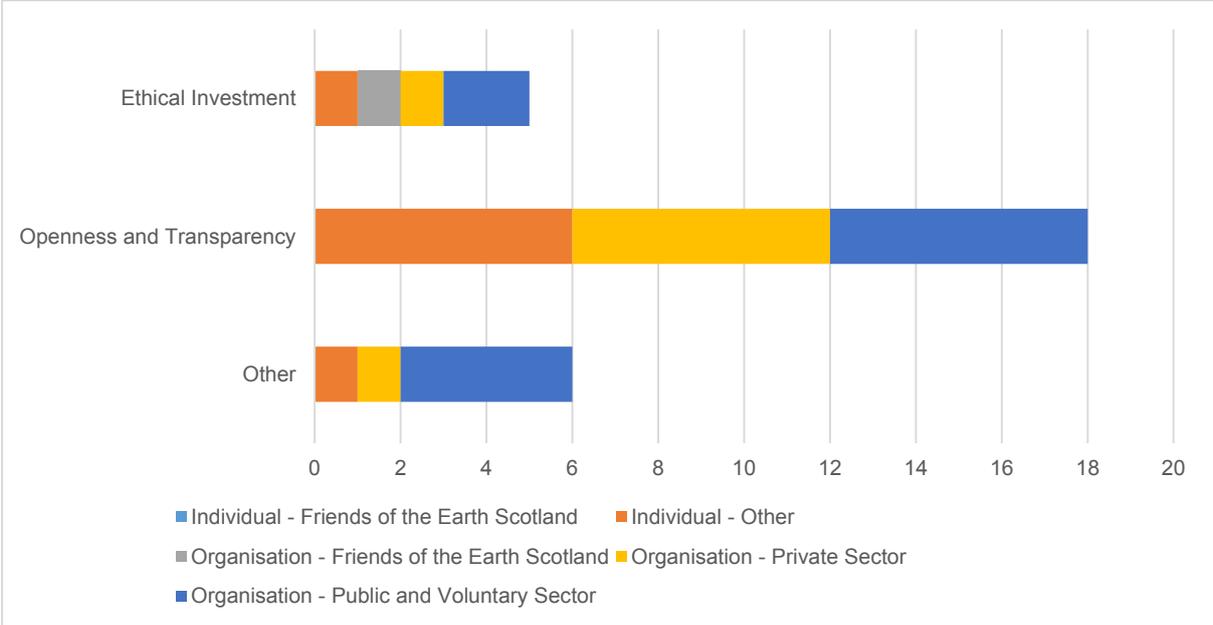
Source: Consultation Hub

For the second part of Question 7, there were 28 valid responses recorded, 33% of all respondents. Within these responses, 3 free-form responses are included as they covered matters relevant to the question. Two recurring themes were identified in the responses to Question 7. Various responses which did not address a common theme were captured under “Other”. Themes identified:

- Ethical Investment
- Openness and Transparency

The responses per grouping are profiled in Figure 11, it should be noted that some responses covered more than one theme.

Figure 11: Question 7 Themes



Source: Consultation Hub

Ethical Investment

Friends of the Earth propose setting a minimum standards assessment to adhere to basic environmental, human rights and financial transparency standards. A small number of respondents also supported the establishment of a formal ethical investment approach. One respondent stated all investments that cause damage to society or the environment should be ruled out, while another respondent suggested the principle of One Planet Prosperity should be adhered to.

Finally, one respondent stated that investment should be tied to the quality of employment on offer, fair work principles, and the procurement of materials and services from local suppliers.

Openness and Transparency

All respondents were supportive of the Bank being as open and transparent as possible. A small number of respondents stated that transparency is key to rebuild the trust that has been eroded between the public, government and banks. A small number of respondents stated the Bank should be able to display how its investment activities promote inclusive growth, and can be viewed as ethical.

A small number of respondents suggested that the ethical professionalism shown by the Bank could allow it to become a leader in ethical standards for banks, and encourage key partners to adopt similar ethical policies.

One respondent suggested that transparency is included as a principle of the Bank's investment strategy. Another respondent acknowledged that the consideration of ethics is constantly evolving, and the approach to reviewing and renewing the Ethics Statement should reflect this.

One respondent reiterated the concern that ethical requirements should be in place to inform the development of the Bank. Conversely, one respondent suggested the ethics statement should not be established up front, rather informed by the initial activities of the Bank. Finally, one respondent requested clarity in how sustainability, socio-economic disadvantage and community benefit could feature within the Ethics Statement.

Other

One respondent requested further clarification on how the public can have further and ongoing input into the development of the Bank.

One respondent requested that consideration be given to the principles of the Fair Work Framework. A small number of respondents asked for more detail on how the Ethics Statement might be developed and enforced. Specifically, one respondent stated that additional to the ethical principles, an Environmental and Social Risk Management System should be required to enforce them. The respondent also called for the Bank to follow the principles set out in the Collevocchio Declaration.

5.3. Operating model, classification and capitalisation (Questions 8 to 10)

This section discusses the views and opinions of the respondents in assessing the proposed operating model, classification and capitalisation of the Bank. Respondents were asked to consider three questions:

- **Question 8:** Is there a better option than the Public Limited Company model, and if so what is it and why?
- **Question 9:** Do you have views at this stage on the proposals for capitalisation of the Bank?
- **Question 10:** Do you have views on how the governance and classification of the Bank should evolve over time, and if so, what measures and protections should be included now to guide and inform a future change in governance and classification of the Bank?

All three questions were open-ended and allowed respondents to provide comments on the question.

Each question has been considered individually in the following sections.

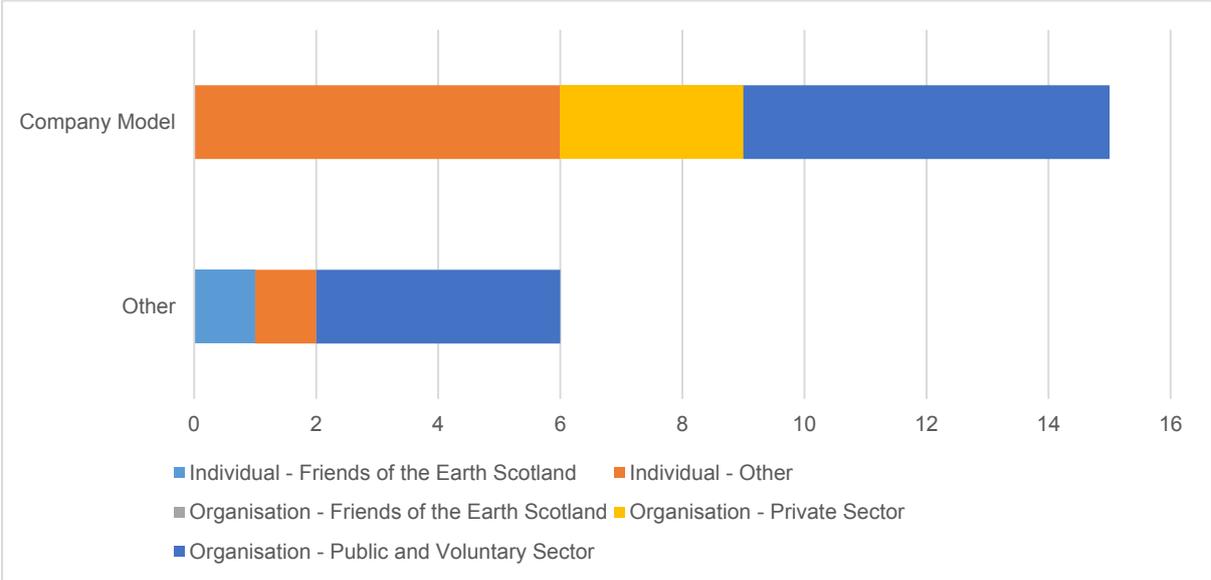
Question 8

Respondents were asked to provide views on “is there a better option than the Public Limited Company model”. There were 20 valid responses recorded, 24% of all respondents. Within these responses, 2 free-form responses are included as they covered matters relevant to the question. One recurring theme was identified within the responses to Question 8. Various responses which did not address a common theme were captured under “Other”. Theme Identified:

- Company Model

The responses per grouping are profiled in Figure 12, it should be noted that some responses covered more than one theme.

Figure 12: Question 8 Themes



Source: Consultation Hub

Company Model

Some responses that addressed the company model, supported the public limited company model suggested. However, a small number of respondents, including one who supported the PLC model, raised concern over shareholders seeking to prioritise maximising profits and the negative impact this might have on the Bank's missions. One respondent was unclear on the value of making the Bank public, when there is no immediate need for finance to be raised to capitalise the Bank.

A small number of respondents expressed support for a cooperative or stakeholder model for the Bank. Additionally, one respondent supported the company limited by guarantee model. Finally, one respondent highlighted that the model chosen should be one that fits within and supports the wellbeing economy.

Other

A small number of respondents stated the importance of the Bank's accounts and activities being subject to public audit, requiring the annual report and accounts to be sent to the Auditor General for Scotland. A small number of respondents raised the concern of privatisation, or in one case the eventual closure, of the Bank. These respondents felt the Bank should remain within the public domain. One respondent desired further clarity towards any dividend payment structure, and one other was unclear on how the Government will raise funds for the Bank.

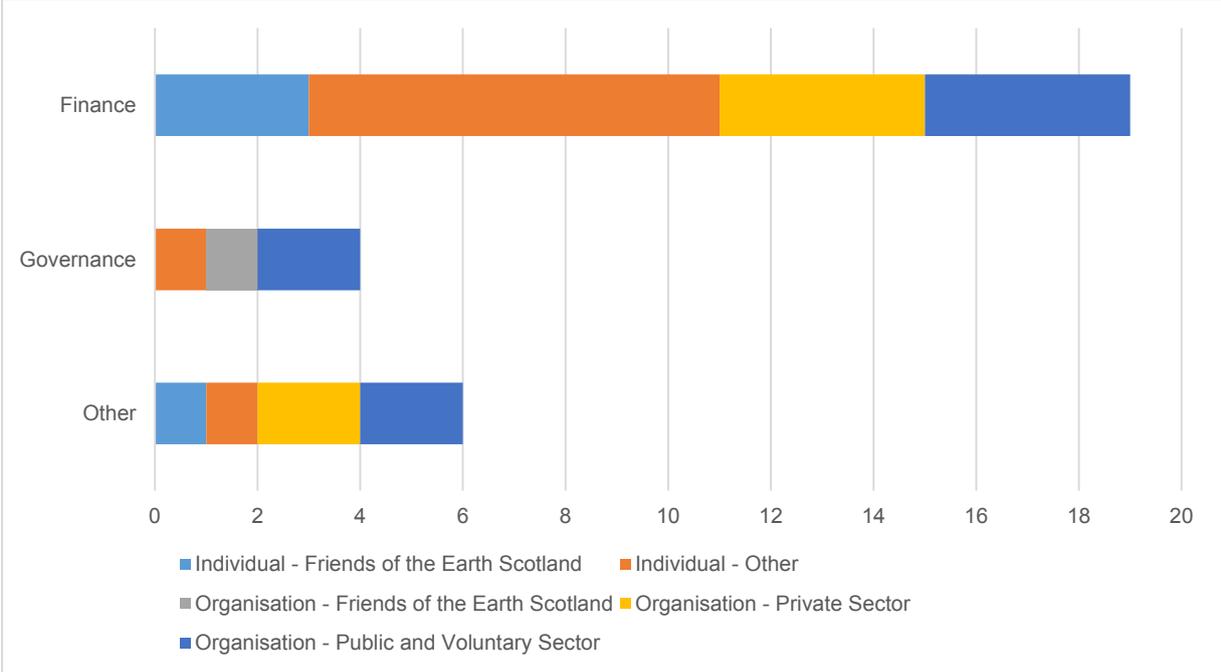
Question 9

Respondents were asked to provide views on "the proposals for capitalisation of the Bank". There were 29 valid responses recorded, 33% of all respondents. Within these responses, 2 free-form responses are included as they covered matters relevant to the question. Two recurring themes were identified in the responses to Question 9. Various responses which did not address a common theme were captured under "Other". Themes identified:

- Finance
- Governance

The responses per grouping are profiled in Figure 13, it should be noted that some responses covered more than one theme.

Figure 13: Question 9 Themes



Source: Consultation Hub

Finance

Some respondents felt that the proposed capitalisation level was insufficient to make an impact in the market. Both the initial £490 million capitalisation, and the long term £2 billion capitalisation were seen as inadequate to deliver the transformative impact desired. Of these respondents, all broadly agreed with the method of capitalisation, with a small number explicitly stating their support. One respondent expressed the view that successfully addressing the gaps in the market with the level of capital proposed was the challenge.

Several alternative capitalisation methods were also suggested. One respondent advocated the issue of bonds by the Bank, while a small number suggested both public and private investment should be utilised. With regards to the latter, a small number of respondents supported the idea of the public being able to invest in the Bank, stating the opportunity to invest ethically, locally and long term was both attractive and not currently available.

A small number of respondents questioned whether the expected returns were too optimistic. These respondents stated the Bank should expect that not all investments will make a return, and that patience was necessary, along with effective deployment, to take advantage of the limited capitalisation available.

One respondent raised concern over the stability of financing long term, stating that any amount of capitalisation promised should be protected against shifts within the political landscape. Additionally, one respondent recommended that the full capitalisation amount of £2 billion should be brought forward and made available by 2020.

One respondent stated that any major investment should only be agreed after necessary due diligence was carried out, while one respondent was unclear on how the capitalisation would be raised within the public sector.

Governance

One respondent suggested the Bank should come under the remit of the Scottish Government at all times, and be administered by the Scottish Government.

Friends of the Earth Scotland individuals and campaign responses stated the Bank should be capitalised by public and private investment, enabling local authorities, pension funds and other public bodies to invest in the Bank.

One respondent supported a Limited by Guarantee model, as it would allow public sector organisations to invest capital as and when it is required.

Other

One respondent suggested that the people of Scotland should be given the opportunity to become shareholders in the Bank. Another suggested tax breaks could be offered to organisations who invested in the Bank. To ensure the Bank is solvent and financially successful one respondent suggested the Bank's loan portfolio be mixed, with low to medium risk investments.

Several concerns were also raised within the responses. One respondent was concerned by the Bank's apparent lack of a resilience plan to counteract economic turbulence. Another questioned whether the Bank would be able to afford the flexibility offered by private financial lenders, as classification to the public sector could present limitations.

Finally, one respondent stressed the importance of transparency, to ensure public money is being used in the public interest.

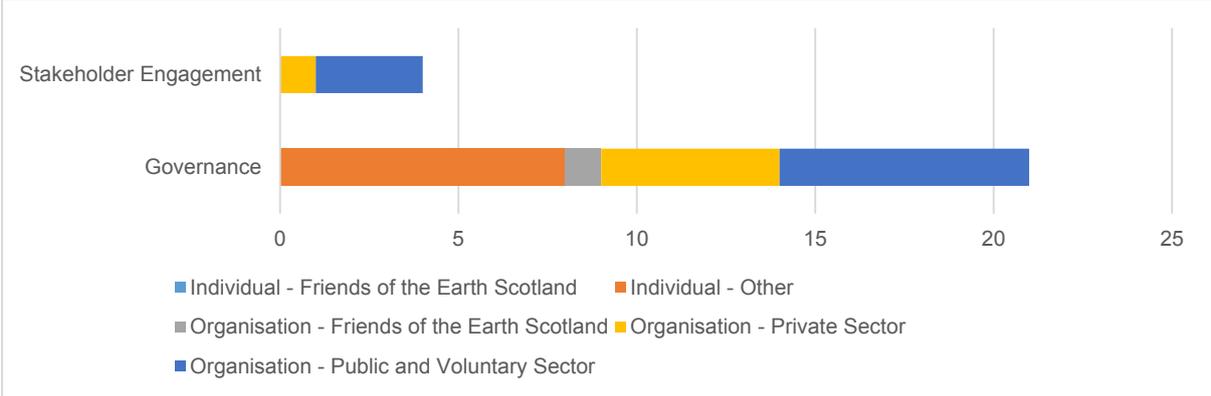
Question 10

Respondents were asked to provide views on "how the governance and classification of the Bank should evolve over time". There were 23 valid responses recorded, 27% of all respondents. Within these responses, 5 free-form responses are included as they covered matters relevant to the question. Two recurring themes were identified in the responses to Question 10:

- Stakeholder Engagement
- Governance

The responses per grouping are profiled in Figure 14, it should be noted that some responses covered more than one theme.

Figure 14: Question 10 Themes



Source: Consultation Hub

Stakeholder Engagement

All the responses broadly recognised the importance of stakeholder engagement. A small number of respondents stated support for representation from a wide range of stakeholders, including the banking, public, private, and third sector.

One respondent commented on the importance of the Advisory Group and Stakeholder Working Group being given genuine powers to help ensure the Bank remains focused on the missions.

One respondent stated this opportunity should be used to review the governance of public bodies, agencies and institutions by the Scottish Government.

Governance

It was generally agreed that the ownership of the Bank should be operated and kept within the public domain, and was suggested by one respondent that this provision should be within the Bill and the Bank’s Articles of Association. Friends of the Earth Scotland explicitly stated their support for the public sector classification of the Bank. One respondent added that the Bank should, at the same time, be protected against political manipulation by the Government.

Some respondents mentioned the importance of the Bank maintaining and adhering to its ethical ethos, and avoiding political interference and influence. One respondent suggested that governance should be aligned with the Strategic Framework, Investment Strategy and Ethics Statement, to ensure this.

A small number of respondents expressed a desire for the Bank’s governance to be more democratic, and inclusive than has been suggested currently. A small number of respondents stated a desire for the Bank to obtain a full banking licence.

There were differing views on the future financing of the Bank, with one respondent arguing the Bank should not become a self-financing body, and another arguing the converse.

One respondent suggested governance should move away from Ministerial control to allow the Bank to develop successfully. One respondent recommended further clarity on the accountability and methods of addressing conflicts of interest between obligations towards the Bank and responsibilities to Parliament.

5.4. Governance Arrangements (Questions 11 to 13)

This section discusses the views and opinions of the respondents in assessing the proposed governance arrangement of the Bank. Respondents were asked to consider three questions:

- **Question 11:** Do you agree with the proposed approach to the Bank’s governance and Board arrangements which will inform the Bill, the Articles of Association and a Strategic Framework document?
- **Question 12:** Do you have any comments on the need for the Bank to have Delegated Powers, in order to achieve the aim of it being operational and administratively independent?
- **Question 13:** Do you have views on whether and how an Advisory Group could provide advice to Ministers on issues relating to the Bank?

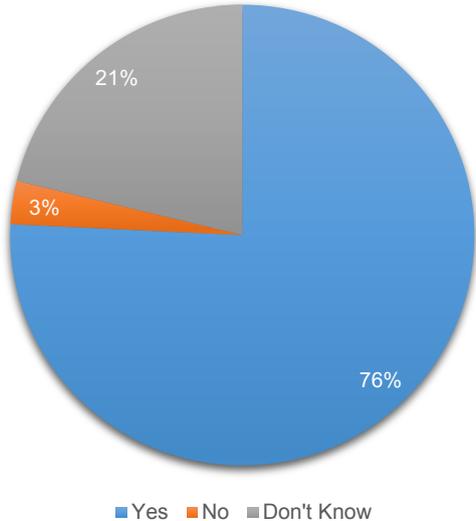
Question 11 was made up of two parts, firstly it allowed respondents to give a pre-defined response with the options of “Yes”, “No” and “Don’t Know” and then gave the opportunity to provide further explanation for their answer. It should be noted that not all respondents who answered from the pre-defined list gave a further explanation and vice-versa. Question 12 and 13 were open-ended and allowed respondents to provide comments on the question.

Each question has been considered individually in the following sections.

Question 11

For the first part of Question 11, there were 33 valid responses recorded, 39% of all respondents. Overall, respondents agreed with the proposed approach to the Bank’s governance and Board arrangements.

Figure 15: Question 11 Responses Do you agree with the proposed approach to the Bank’s governance and Board arrangements which will inform the Bill, the Articles of Association and a Strategic Framework document?



Source: Consultation Hub

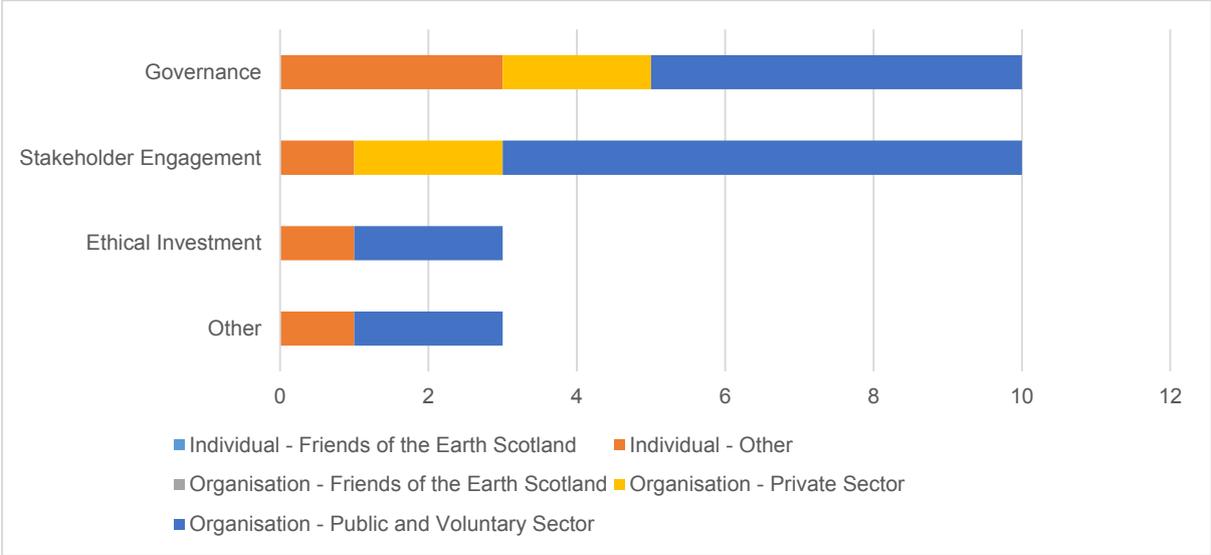
For the second part of Question 11, there were 22 valid responses recorded, 26% of all respondents.

Within these responses, 5 free-form responses are included as they covered matters relevant to the question. Three recurring themes were identified in the responses to Question 11. Various responses which did not address a common theme were captured under “Other”. Themes identified:

- Governance
- Stakeholder Engagement
- Ethical Investment

The responses per grouping are profiled in Figure 16, it should be noted that some responses covered more than one theme.

Figure 16: Question 11 Themes



Source: Consultation Hub

Governance

There were differing views as to the recommended size of the Board, with one respondent recommending a limit of 9, and another recommending a maximum of 12, with two thirds of the Board being non-executive directors.

A small number highlighted the importance of stakeholder input, with one respondent focusing on the input from trade union organisations, and another highlighting the importance of geographical coverage when appointing the Board. Additionally, one respondent stressed the need to hire the best talent possible to the Board, to establish credibility for the Bank.

One respondent reiterated the importance of the Bank being publically owned in perpetuity. Finally, one respondent stated the governance should be free of political influence, whilst another questioned how it can be ensured that the Bank is run ethically through the governance framework in place.

Stakeholder Engagement

Respondents were supportive of stakeholder engagement, and aware of the importance of a wide representation within the governance structure. A small number of respondents suggested specific stakeholder involvement, including those with expertise in the environment, social sciences, local government, finance, trade unions; as well as fair representation of women, black and ethnic minorities, and disabled people.

One respondent highlighted the importance of the chosen structure to ensure the Advisory Group engagement is genuine. Finally, one respondent suggested the Advisory Group should have access to both the government and the Bank governors.

Ethical Investment

One respondent advocated that investment should align to the “One Planet Prosperity” principle. One respondent raised concern over the political influence the Scottish Government could have, leading to a push on return of investment rather than staying true to its ethical investment. Finally, one respondent suggested Bank products should align with the agreed Investment and Risk Strategy without further approval from Ministers.

Other

One respondent stressed the importance of Freedom of Information responsibilities being included as Unalterable Articles of the Memorandum of Incorporation.

Another respondent asked that the gender representation objective in the Gender Representation on Public Boards (Scotland) Act 2018 be extended to the Board of the Bank and that representation should reflect principle of diversity found in the proposed ethics statement.

Finally, one respondent wanted to ensure that the accountability of the Board to Ministers should be set out.

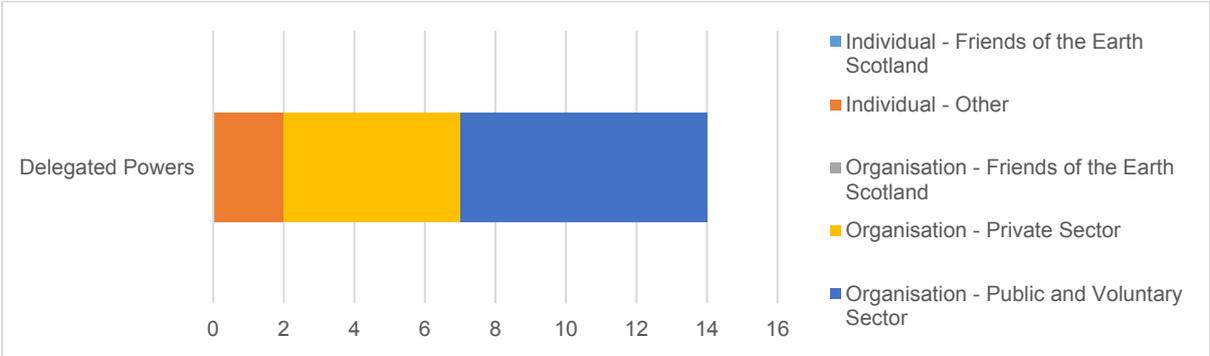
Question 12

Respondents were asked to provide comments on “the need for the Bank to have Delegated Powers”. There were 14 valid responses recorded, 17% of all respondents. Within these responses, 2 free-form responses are included as they covered matters relevant to the question. One recurring theme was identified in the responses to Question 12.

- Delegated Powers

The responses per grouping are profiled in Figure 17.

Figure 17: Question 12 Themes



Source: Consultation Hub

Delegated Powers

Several respondents supported the delegation of powers to the Bank, emphasising the need to operate commercially and independently from Government. However, one respondent who supported the delegation of powers warned that governance of the Bank must remain accountable to Ministers and stakeholders.

One respondent opposed the delegation of powers fearing that independence from the Government could lead to investments that undermine the environment and social wellbeing. Finally one respondent suggested accountability mechanisms should include parliamentary scrutiny as well as ministerial oversight.

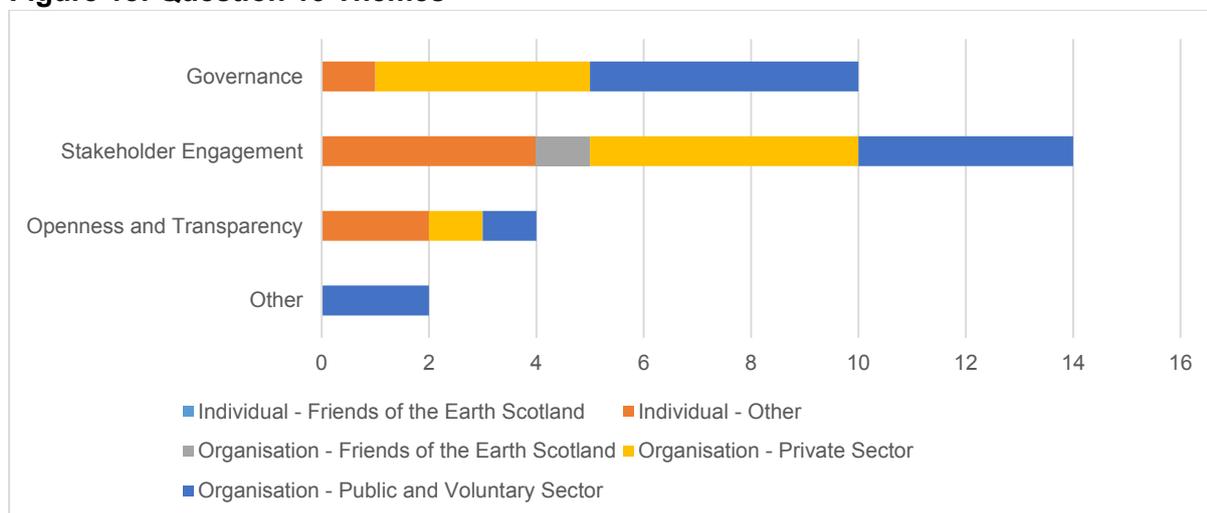
Question 13

Respondents were asked to provide views on “whether and how an Advisory Group could provide advice to Ministers on the progress being made by the Bank”. There were 29 valid responses recorded, 35% of all respondents. Within these responses, 1 free-form response is included as it covered matters relevant to the question. Three recurring themes were identified in the responses to Question 13. Various responses which did not address a common theme were captured under “Other”. Themes identified:

- Governance
- Stakeholder Engagement
- Openness and Transparency

The responses per grouping are profiled in Figure 18, it should be noted that some responses covered more than one theme.

Figure 18: Question 13 Themes



Source: Consultation Hub

Governance

There were differing views towards the establishment of an Advisory Group. A small number of respondents were unsupportive, stating that the Advisory Group was unnecessary and should only be considered if it was deemed appropriate in the future. One respondent raised concern over the possibility of the Advisory Group developing into a shadow board, which could cause issues over governance, while one respondent stated quarterly reporting from the Bank to Ministers should be sufficient.

Conversely, a small number of respondents were supportive of the Advisory Group highlighting its ability to offer long term strategic development advice. One respondent supported the Advisory Group providing advice to both Minister and the Board. Finally, one respondent suggested the Advisory Group would benefit from a dedicated secretariat to operate effectively.

Stakeholder Engagement

All responses supported the need for meaningful stakeholder engagement, however, there were differing opinions regarding representation on the Advisory Group. A small number of respondents suggested prioritising experience within the financial sector, and particularly experience with delivering patient capital. Some respondents emphasised the importance of diversity within the Advisory Group. Within these responses, a small number, including Friends of the Earth Scotland, recommended the Advisory Group focused on representation from trade unions, and marginalised groups within Scotland, and strive for gender diversity, as opposed to prioritising bankers and financial experts.

A small number of responses proposed alternatives to the Advisory Group structure. One respondent suggested the development of a group that engages with the public, and allows democratic decision making. Another respondent suggested industry specific workshops should be run regularly to allow the Bank to understand its customers, and monitor its progress.

Finally, one respondent asked for further clarification as to whether the Advisory Group would have the scope for targeted appointments that reflect key stakeholder groups and sectors, and another respondent reiterated that the Advisory Group should have direct communications with both the Bank and the Ministers.

Openness and Transparency

One respondent suggested details relating to financing of loans and turnover levels of businesses that are receiving support should be provided to Ministers.

One respondent suggested the Advisory Group could produce an independent annual report regarding the Bank's progress against mission objectives. Another respondent suggested the Advisory Group chair be elected from and by the group, rather than Ministers, to maintain independence. Finally, one respondent stated the importance of the Advisory Group having no political influences.

Other

One respondent emphasised the importance of the Advisory Group members having expertise in the economy and the environment. Another respondent listed the areas where the Advisory Group could specialise in, including financial markets and investments, portfolio management, regulatory compliance, local economies and key growth sectors, and inclusive growth and equality.

5.5. The Bank's staffing and employment arrangements (Questions 14 to 16)

This section discusses the views and opinions of the respondents in assessing proposed staff and employment arrangements. Respondents were asked to consider three questions:

- **Question 14:** Do you have views on the initial operating model and costs identified in the Implementation Plan and what are these?
- **Question 15:** Do you have views on any criteria for the approach to remuneration for senior and specialist roles in the Bank?
- **Question 16:** Do you have views on areas where the current approach to public sector pay would suit the needs of the Bank, and are there other examples of variations in public pay policy that would be suitable for the Bank and any areas where some changes may be needed?

All three questions were open-ended and allowed respondents to provide comments on the question.

Questions 14 to 16 have been considered collectively in the following section. There was significant overlap in responses to these questions, therefore, it was considered appropriate to analyse the responses collectively.

Questions 14 to 16

Respondents were asked to provide views on the Bank's staffing and employment arrangements, this included views on the operating model, approach to remuneration for senior roles and how this fits with the Public Sector Pay Policy.

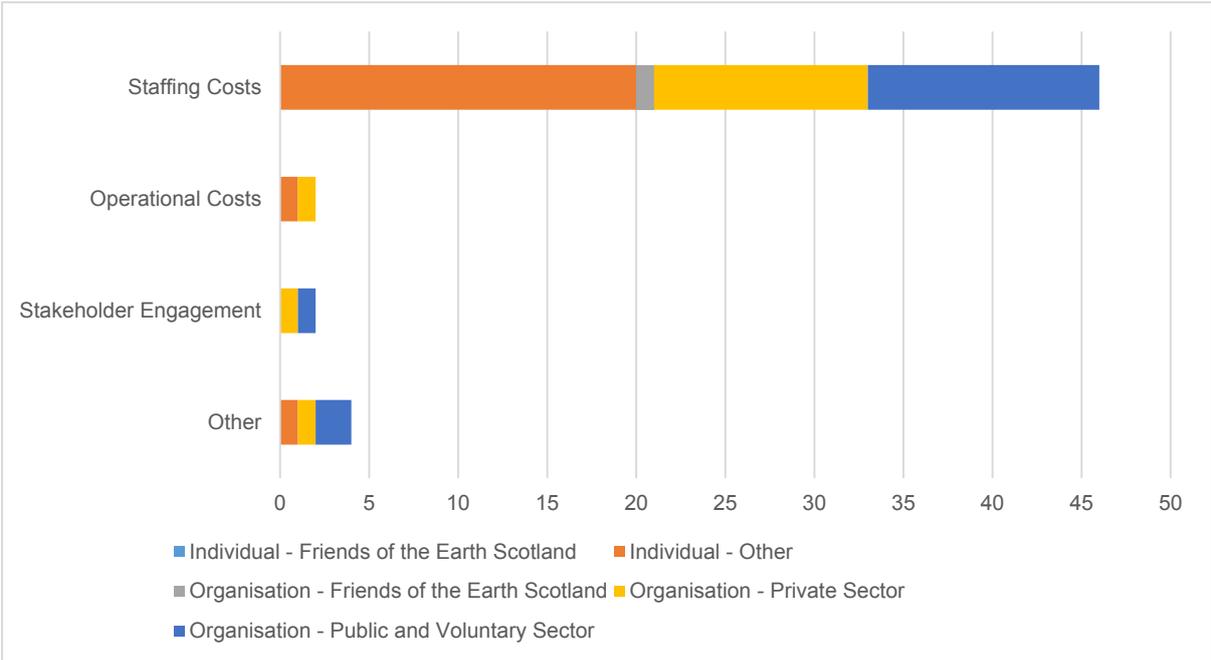
For Question 14 there were 15 valid responses recorded, 18% of all respondents, and for Question 15 there were 28 valid responses recorded, 33% of all respondents. Within these responses, 2 free-form responses are included as they covered matters relevant to the question. For Question 16, there were 13 valid responses recorded, 15% of all respondents.

Three recurring themes were identified in the responses for Questions 14 to 16. Various responses which did not address a common theme were captured under "Other".

- Staffing Costs
- Operational Costs
- Stakeholder Engagement

The responses per grouping are profiled in Figure 19, it should be noted that some responses covered more than one theme.

Figure 19: Questions 14 to 16 Themes



Source: Consultation Hub

Staffing Costs

There were differing responses regarding both the hiring of staff and remuneration policy. Several respondents supported Public Sector Pay Policy, while offering competitive salaries to those individuals whose private sector experience was key to the success of the Bank. These respondents recognised the need to have a competitive salary that attracts individuals with relevant experience and skills and that this will come at a higher cost than is currently offered within the public sector. A small number of respondents commented that any market rate remuneration policy had the potential to become excessive, and could cause the public to lose trust and support in the Bank. Finally, a small number of respondents suggested any market rate salary should be fully justified, with one respondent suggesting this should be approved on a case-by-case basis.

A small number of responses came with caveats; one emphasised that any pay structure should not undermine the integrity of the Public Sector Pay Policy, while another suggested that any bonuses should be tied to the delivery of environmental, sustainability and inclusivity objectives. One respondent stressed the importance of a diverse recruitment policy long term.

A small number of respondents felt it necessary that the Bank adhere completely to the Public Sector Pay Policy, and a pay cap be placed on senior management. Additionally, a small number of respondents specifically advised against the payment of bonuses. One respondent questioned the Bank’s ability to pay staff on non-public sector contracts given that the Bank is expected to be classified as a public sector entity, while another stated the importance of keeping the pay policy consistent within the Bank, and that any market rate pay proposals should be open to public consultation.

There were a small number of respondents who commented on the issues surrounding equality in the Bank if private sector remuneration was offered to those in senior positions. One respondent was worried as to the potential of a toxic culture being created within the Bank. One respondent stated any bonuses should be distributed amongst the entire workforce, while one respondent suggested market rates should be paid to the entire workforce, rather than adhering to the Public Sector Pay Policy.

One respondent felt the budgeted running cost per employee was excessive, and one respondent hoped that the Bank would redeploy existing qualified staff into new roles, before recruiting externally.

Finally, a small number of respondents also expressed support for a fair minimum pay, with one respondent calling for the Bank to become an accredited Scottish Living Wage Employer.

Operational Costs

One respondent agreed that the estimated costs seemed reasonable, stressing the importance of keeping the operating costs as low as possible. Conversely, another respondent thought costs were underestimated.

Stakeholder Engagement

One respondent suggested that the Bank should build on and work with existing institutions such as the British Business Bank, to identify where it can complement existing financing. Another respondent suggested the Bank should utilise external delivery partners, as well as in-house resources, to allow flexibility.

Other

One respondent stressed the importance of ensuring the pay policies and structures do not result in unequal pay, while another respondent suggested the Bank structure should aim to be as flat as possible, in order to share responsibility widely throughout the organisation.

One respondent suggested that incentives should be long-term arrangements that align the interests of the Bank's management and employees, and Scottish Government.

6. Analysis of stakeholder workshops and bilateral meetings

In addition to the public consultation on the Bank, officials engaged in stakeholder consultations. In total nine stakeholder workshops and twelve bilateral meetings were held between the 26 September 2018 and 1 November 2018. The table below identifies the stakeholders and their respective sector.

Stakeholder Workshops	Sector	Bi-lateral Meetings	Sector
Ethical Finance	Finance	Business in the Community	N/A
Homes for Scotland	Property	Common Weal	Voluntary
Scottish Property Federation	Property	Equalities and Human Rights Commission	Legal
SCDI	Finance	Scottish Financial Enterprise	Finance
Scottish Trades Union Congress	N/A	Women’s Enterprise Scotland	N/A
Royal Society Edinburgh	Science and Research	World Wildlife Foundation	Environmental
Business in the Parliament Conference	N/A	Clyde Blowers Capital	Engineering
Friends of the Earth	Environmental	LINC Scotland	Finance
ICAS		Par Equity	Finance
-		Institute of Directors	N/A
-		Green Investment Group	Finance
-		Investing Women	Finance

A summary of the views and insights gathered through the engagements is detailed in the following sections. Although discussions were not framed within the prescriptive question format of the public consultation, the themes and views identified have been presented within the same format as the analysis seen in section 5.

a. The opportunity and the Bank’s objectives and purpose (Questions 1 and 2)

Stakeholders were largely supportive of the Bank and its vision, objectives and purpose. The potential for the Bank to be a transformative force in the Scottish Economy was acknowledged.

One stakeholder group suggested the language used regarding the vision of the Bank was “too public service oriented”, and could discourage co-investment.

It was proposed that the Bank should act as a single point of entry for public finance, consolidating the existing landscape. It was also noted that the existing public finance landscape made it difficult for businesses to understand where to access finance.

Several stakeholders emphasised that the transition and consolidation of existing finance schemes to the Bank should cause as little disruption as possible to businesses.

Stakeholders agreed that the Bank should work closely with enterprise agencies to ensure the market is ready for the investment opportunities that the Bank will provide.

b. The focus for investment activities (Questions 3 to 7).

Mission-led Approach

Several stakeholders felt that the early possible missions identified were too high level, and further clarification and refinement was needed. Conversely, some stakeholders suggested missions may be restrictive, and that the Bank should focus on a demand-led approach, as missions may exclude the Bank from investing in other markets.

Concerns were also raised that investing in three or more separate missions would dilute the Bank's potential to create significant change.

Debt and Equity Products

There were varying views regarding whether the Bank should provide primarily debt or equity products. Debt products were seen as less complicated for the Bank to provide, whilst allowing businesses to maintain control. There was broad agreement that equity products would provide additional support to allow businesses to grow, and be protected against predatory business practices.

Risk Appetite

Stakeholders were supportive of an alternative risk appetite for the Bank, and recognised its ability to create and shape new markets; however the respondents wanted to understand how this would be managed.

Stakeholders welcomed the proposals for the Bank to offer long-term patient capital.

Stakeholders emphasised the need for risk to be evenly shared with private investors.

Guarantees

Several stakeholders suggested that the Bank should offer guarantees as one of its financial products from the outset.

Whole of Lifecycle Investment

Stakeholders stated that later stage investment, such as patient capital, was harder to secure, and that the Bank could address this gap in the market to allow businesses to expand.

Conditionality

It was suggested that the Bank could apply conditionality to loans to promote certain key values and principles, particularly around gender equality and fair work. Minimum standards must be met regarding these areas before investment could be employed, with provisions in place to not adversely affect small businesses, or the Bank's ability to invest.

c. Operating model, classification and capitalisation (Questions 8 to 10)

Stakeholders stated that £2 billion over 10 years may not be sufficient to make a significant impact on the market. The importance of co-investing and crowding-in the private sector was emphasised.

A small number of stakeholders suggested that the Bank should take deposits to increase capital, whilst helping ensure the Bank remains “for the people of Scotland”.

d. Governance Arrangements (Questions 11 to 13)

Advisory Group

There were differing views from stakeholders regarding the role of the Advisory Group as a whole; however it was largely agreed that more clarity was desired on the function and remit of the Advisory Group, and that having the opportunity to feed in views to the Bank was important. Several stakeholders expressed an interest in being represented on the Advisory group.

One stakeholder group suggested the Advisory Group should have a formal remit, in order to scrutinise the actions of the Board, as a way of providing formal oversight to the Bank’s activities.

However, some stakeholders recommended the Advisory Group only offer advice on activities, and provide insight into the Scottish Market.

Other stakeholders warned that decision making within the Bank would be hindered if the Advisory Group was part of a dual oversight structure, as it would be difficult to reach agreement if individuals and organisations hold a diverse range of interests and views.

Appointment of Board

Stakeholders emphasised the importance of having the right skills and experience within the Bank’s Board and a variety of backgrounds represented, as well as ensuring it is representative, particularly in terms of gender balance.

One stakeholder group suggested that the Scottish Government should make the first three appointments to the Board, and allow the Chair to complete the appointments, ensuring a range of expertise and experience is achieved.

Strategic Framework

Stakeholders requested that proposals for Bank governance should be clearly set out in the Strategic Framework, displaying clear lines of reporting.

It was largely agreed that the Board should be operationally and administratively independent from Ministers, as autonomy over investments was key to the Bank’s success. Further information on how the Ministers and Bank’s Board relationship would operate was requested.

e. The Bank's staffing and employment arrangements (Questions 14 to 16)

Stakeholders largely agreed that the majority of Bank staff should fall under public sector pay, however that there was a need to pay more to secure the required skills for the Bank. Several stakeholders emphasised the importance of on boarding the right experience and skills, as this was crucial to ensure the Bank could attract the best investment opportunities.

Stakeholders noted it would be important that the Bank have regional links to ensure benefits reach across the entire country, and the location of the Bank would be important.

Appendix A Campaign Responses

This appendix provides further information about the email campaign response received from Friends of the Earth Scotland.

It should be noted that:

- Friends of the Earth Scotland submitted a formal response as an organisation separately to the email campaign. This has been analysed as an organisational response within section 5, and is not considered within this section.
- All campaign responses received in the consultation were checked to identify whether they were standard or non-standard. The standard response is provided below. There were 23 non-standard responses, which were analysed as individual responses within section 5 of the report, and are not considered within this section.
- There were 1383 responses submitted through the email campaign, of which, 1360 were identical to the standard format and these 1360 submissions are considered as one response within the analysis in section 5, and further discussed within this appendix.

The standard email campaign response written by Friends of the Earth Scotland is as follows:

“To the Scottish Government,

I am writing to officially respond to the consultation on the Scottish National Investment Bank Bill.

I welcome the Scottish Government’s proposals to create a new publicly-owned ethical investment Bank.

The vision of the Scottish National Investment Bank should be to provide finance and act to catalyse public and private investment for the move to a low carbon and inclusive economy.

The Bank’s lending should realise this vision by investing in projects which demonstrate significant cuts in carbon emissions, such as offshore wind, public transport, solar and renewable heat.

The Bank’s ethical lending criteria must rule out investing in poor employers and polluting projects. The Bank’s activities should align with plans for delivering the Scottish Climate Change Act’s targets and the Scottish Government should explicitly rule out lending to fossil fuel projects.

Yours sincerely,”

Response Analysis

As the response does not follow the prescribed question format, the content within the response was attributed to the relevant question within the consultation. The questions considered appropriate were 2, 4, 5 and 6.

Question 2: Do you have views on the statement of the Vision which has been set for the Bank, in paragraph 3.2?

Answer: *“The vision of the Scottish National Investment Bank should be to provide finance and act to catalyse public and private investment for the move to a low carbon and inclusive economy”*

This was captured under the theme “Carbon Reduction, which can be seen in figure 3 within section 5.1.

Question 4: Do you have any views and suggestions on the example of missions, outlined in paragraph 4.7 and what are these?

Answer: *“The Bank’s lending should realise this vision by investing in projects which demonstrate significant cuts in carbon emissions, such as offshore wind, public transport, solar and renewable heat.”*

This was captured under the theme “Carbon Reduction”, which can be seen in figure 6 within section 5.1.

Question 5: Do you agree that the Bank should identify and implement an Investment Strategy, which is along the lines suggested?

Answer: *The Bank’s activities should align with plans for delivering the Scottish Climate Change Act’s targets and the Scottish Government should explicitly rule out lending to fossil fuel projects.*

This was captured under the theme “Carbon Reduction”, which can be seen in figure 8 within section 5.1.

Question 6: Are there any arrangements or requirements not already considered that would inform the Equalities Impact Assessment and strengthen and enhance the Bank’s ethical approach to investment, and what are these?

Answer: *The Bank’s ethical lending criteria must rule out investing in poor employers and polluting projects.*

This was captured under the theme “Ethical Investment”, which can be seen in figure 9 within section 5.1.

Appendix B Data Validation

This appendix provides details about the data validation process – i.e. the process of determining the total number of consultation responses.

Number of responses received

1,443 responses were received to the consultation. 40 responses were received through the Scottish Government’s consultation portal, with a further 20 responses having been emailed to the Bank’s dedicated mailbox. The remaining responses received were part of a campaign from Friends of the Earth Scotland. However, it should be noted that of these 1383 responses, 1360 used a standard template and are identical. The remaining 23 varied significantly from the standard template, and therefore were considered as individual responses for analysis.

For the purposes of this consultation analysis, the 20 mailbox responses and the 23 Friends of the Earth variation responses were uploaded into the Consultation Hub along with 1 response for the Friends of the Earth Scotland campaign. This resulted in a total of 84 responses within the quantitative analysis.

Validation of responses

The analysis takes into account all the statements submitted through the online Consultation Hub in relation to each of the consultation questions, and the number of campaign responses received have been reported on a question-by-question basis. For each question, a number of responses were removed for a variety of reasons:

- Were found to be entirely blank.
- Were identified as being irrelevant to the question.
- Were found to have inappropriate use of language.

Appendix C List of Organisational Responses

The organisations in the table below gave consent for their names and responses to be published.

Organisation	Grouping for analysis
Tenement Veg	Public and Voluntary Sector
Chartered Banker Institute	Private Sector
EOS Technology Investment Syndicate	Private Sector
The Growth Partnership	Public and Voluntary Sector
Sunbeam Talbot	Private Sector
Industrial Biotechnology Innovation Centre	Private Sector
Equity Gap Limited	Private Sector
Aberdeenshire Council	Public and Voluntary Sector
Tweed Homes Limited	Private Sector
Burness Paull LLP	Private Sector
Confederation of Paper Industries	Private Sector
The Scottish Council for Development and Industry	Public and Voluntary Sector
Scottish Land Commission	Public and Voluntary Sector
Par Equity	Private Sector
LINC Scotland	Private Sector
Mydex Community Interest Company	Private Sector
Creative Scotland	Public and Voluntary Sector
Zebras Unite in Scotland	Private Sector
Scottish Property Federation	Private Sector
Nourish Scotland	Public and Voluntary Sector
South of Scotland Alliance	Public and Voluntary Sector
UK Finance	Private Sector
Clydesdale Bank PLC	Private Sector
North Ayrshire Council	Public and Voluntary Sector
Friends of the Earth Scotland	Friends of the Earth Scotland
COSLA	Public and Voluntary Sector
Scottish Environment Link	Public and Voluntary Sector
Biofuel Watch	Public and Voluntary Sector
Scottish Council for Voluntary Organisations	Public and Voluntary Sector
Scottish Wildlife Trust	Public and Voluntary Sector
Audit Scotland	Public and Voluntary Sector
Scottish Trade Union Congress	Public and Voluntary Sector
Engender	Public and Voluntary Sector
Close the Gap	Public and Voluntary Sector
Homes for Scotland	Public and Voluntary Sector
Confederation of British Industry	Public and Voluntary Sector
Glasgow City Council	Public and Voluntary Sector
Common Weal	Public and Voluntary Sector
Friends of the Earth Scotland campaign response	Friends of the Earth Scotland
Royal Society of Edinburgh	Public and Voluntary Sector
London Stock Exchange Group	Private Sector



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