

Meeting Note - Strategic Board 17 September 2020 – Webex meeting

Attendees:-

Members Nora Senior (Chair), Scott McLarty (Vice Chair), Caroline Barelle, Liz Cameron, Mike Cantlay, Sara Carter, Simon Cotton, Audrey Cumberland, Alistair Dodds, Melinda Matthews-Clarkson, Alison Milne, Frank Mitchell, Gillian Murray, Grahame Smith.

Other Attendees:- Ivan McKee MSP, Stephen Boyle (Advisor to the Chair), Carrol Buxton (HIE), Liz Ditchburn (SG), Steve Dunlop (SE), Martin Fairbairn (SFC), Oonagh Gil (SG), Gavin Gray (SG), Nick Halfhide (SoSE), Stuart King (AU), Jo-anne Lawson (Sec), Linda Murray (SE), Richard Murray (AU/Sec), Stephen Pathirana (SG) Colin Robertson (SG), Charlie Smith (SE), Julie Wilson (Sec), Damien Yeats (SDS),

Apologies:- Russel Griggs, Poonam Gupta, Steven Heddle, Lord Smith of Kelvin, Martin Boyle (SFC), Gary Gillespie (SG), Lorna Gibbs (SG), Mary McAllan (SG), Kevin Quinlan (SG), Karen Watt (SFC), David Wilson (SNIB), Charlotte Wright (HIE).

Welcome and minutes from the Previous Meeting

The Chair welcomed everyone to the first meeting with video and asked the Board to agree the previous minutes with a request for any comments to be made via correspondence to the Secretariat.

There were no conflicts of interest.

Actions – The action points from the previous meeting were complete or were agenda items for today's meeting. In relation to ESSB August (05) *Secretariat will follow up and get a detailed plan from policy colleagues. To circulate to Members.* This will be provided for the November meeting.

Item 1 – Introduction from the Chair

The Chair said that at the end of last month she gave evidence to the Economy, Energy and Fair Work Committee as did Gordon McGuinness (SDS). The Committee looked at the economic impact of COVID-19, specifically in relation to young people and the Board's Sub-Group recommendations on measures to mitigate the labour market effects of the pandemic.

The Chair and Scott also had their quarterly meeting with Mr McKee where he discussed the role the Strategic Board can play in helping declutter the funding landscape for innovation. There were over 90 innovation initiatives and the Strategic Board is well placed to identify opportunities for alignment and greater collaboration. The Secretariat will take forward that work along with innovation policy colleagues in the SG.

The Chair outlined the agenda and said that Mr McKee, Stephen Pathirana (SG) and Charlie Smith (SE) would be joining the meeting for the item on inward investment. Gavin Gray (SG) would be presenting the item on the Young Person's Guarantee for

Sandy Begbie. The SFC review was ongoing and the first phase concluded at the end of August. The Chair invited Mike and Martin to give an update.

Mike Cantlay thanked everyone for their involvement with the review – especially Scott who is on the programme board. The review is due to conclude next year. The Review's call for evidence was completed and looked at:-

- embedded digital education
- changing the student experience
- the learner journey, and
- flexible exit and entry points.

Martin Fairbairn also thanked the Board and noted there has been 106 replies to the call for evidence. Feedback from this and the series of roundtables did not identify new themes but did clarify the emphasis for stakeholders and allowed them to demonstrate rigour in the review process. The themes emerging were:-

- increased collaboration – beyond sectors
- place and regional planning
- how to protect research excellence
- collective promotion of the FE and HE brand
- how we attract and retain talent.

The phase one output is a reflection of the issues and questions from the evidence and roundtable sessions which will then shape the next stage. The output will be finalised in late September / early October. The Chair asked about the shift to on line learning and Martin highlighted that colleges and universities did amazingly well in getting set up. Going forward there needs to be a more fundamental shift, including rethinking the skill set of lecturers. Sara Carter expressed concern about retention rates which are notoriously lower for on line learning. There was also a fragility in relation to the fact that international student fees cross subsidise research. Mike noted the short term issues were acute and that blended learning was going to have to evolve throughout the year.

The Chair asked for an update on skills alignment. Damien Yeates said they were not making as much progress as they would have liked. SFC were fully involved but resource constraints at SFC make it difficult for them to engage. It was hoped that stage 1 or stage 2 skills alignment would be brought forward to inform decisions. Mike said that one significant development was the focus on the regional. It was becoming more bottom up and not just national. Frank Mitchell felt this was really critical for making decisions and there is a need to re-energise this work. The Chair noted skills alignment needed a firm view and plan to ensure challenges are resolved.

Action ESSB September 20 (01) – The next Strategic Board meeting to have an item on skills alignment, progress, challenges and funding issues - to be led jointly by SFC and SDS.

Item 2 – ESSB Action Plan for Recovery

The Chair was impressed by the way the agencies were working flexibly and quickly to meet the challenges of Covid and directed the Board's thanks to agencies and staff. It was now time to take stock of the various reports out over the summer and

look at implementation priorities. The Strategic Board and agencies have a responsibility to jointly and collaboratively meet those challenges. First the Board would hear from Liz Ditchburn for a high level view and a look at governance structures. Liz extended her personal thanks to the Strategic Board and agencies for such an agile response. She talked about how the four key plans (Advisory Group on Economic Recovery, the ESSB Skills Sub-group, the Logan report and Programme for Government) were all part of one agenda - responding to the public health and economic challenge of COVID 19 – which made it easier to be coherent. She also noted that Ministers want a single dashboard to cover all of this activity.

Oonagh Gill spoke about the work being done within SG to respond to the ESSB Sub-group's report – with policy colleagues working closely with delivery partners. In terms of operational governance this sat with the Fair Work Employment and Skills Strategic Group. A programme manager had been appointed and she offered to share a project plan with the Strategic Board in December. She recognised the enormous amount of work in train and the great support from the agencies. In the discussion that followed it was agreed that the agencies needed clarity on the short, medium and long term priorities across all of the activity described in the four plans well before December. Frank offered to share work he has done with Oonagh on priorities. The Chair highlighted the need for swift response and requested that the project plan be circulated by next Board meeting

Action ESSB September 20 (02) – Frank Mitchell to share work done with Oonagh Gill on priorities. Oonagh's plan to be circulated to Board by next Board meeting

Alistair Dodds noted that the responses to Benny Higgins and the Sub-group report had been welcome and we now needed a clear and simple implementation plan soon. Steve Dunlop agreed we needed clarity and alignment and collaboration urgently. Liz felt that there was a lot of action underway including on medium term work but that collating the actions was a first step to a plan. The Chair felt that by the next Strategic Board meeting we needed a cross agency plan and clarity on priorities – so as not to miss opportunities especially in FE and HE. Gillian Murray felt it was important to link outcomes to actions and that a dashboard would be a great step forward. Alison Milne agreed on the urgency and felt it was important to look holistically for the rural economy. Grahame Smith said we need to focus on the immediate and big ticket actions. Simon Cotton observed that the Strategic Board could have had a good discussion if the work around an implementation plan/governance structure had been done. Sara thought we need to establish if we have been suitably radical e.g. bringing in a new cohort in January to protect more young people.

It was agreed that agencies needed clarity and that the SG should produce a clear strategic narrative along with key short, medium and longer-term actions to support the recovery. This would identify the agencies involved and include the planned governance arrangements for overseeing the actions.

Connected to this, the Secretariat will continue its review of the actions relating to the Board's missions and hold shorter sessions with Board members to identify key actions for prioritisation.

Action ESSB September 20 (03) – The agencies alongside the AU/secretariat to continue the mission review work. SG to produce a clear strategic narrative along with key short, medium and longer-term priority areas; indicating lead body and governance structures

Item 3 – Young Person’s Guarantee

Gavin Gray gave an overview of the implementation plan for the Young Person’s Guarantee. There was an implementation meeting today looking at what was required to launch the guarantee. They would be working directly with employers to map the opportunities across Scotland and were aiming for 100,000 opportunities. The governance for this work would fall within existing structures. One recommendation is for more regional oversight. Monitoring was key and there were plans to work with SDS on a participation measure. The other big challenges came from Brexit. There was a need to ensure a clear understanding of the roles and responsibilities of the agencies.

There was a clarification of the cross over with KickStart and the extent to which these will be complementary schemes. Early indications were that businesses were coming forward. In terms of getting the message across DYW networks were critical. A wider engagement plan was also being worked on. It was confirmed that the DYW regions were the same ones that SE were looking at. It would also be the case that Fair Work principles would be encouraged and Gavin was setting up a discussion between Sandy Begbie and Grahame Smith on this. Gillian Murray felt this was a great example of high priority work in a short timescale.

Action ESSB September 20 (04) – Gavin to set up a discussion between Sandy Begbie and Grahame Smith on consistency between the Young Person’s Guarantee and Fair Work.

Liz Cameron said business was looking forward to engagement. The Chamber had been involved with KickStart and has been engaging with DWP. There were over 500 job opportunities with KickStart. Business were trying to help young people but alignment was critical. There was not time to go through 4 or 5 agencies, particularly small businesses.

Frank Mitchell said Damien Yeates would support Sandy Begbie. The fundamental issue was to get 100,000 opportunities – getting young people into apprenticeships, university or college places, job experience or the third sector. SDS would do all it can to support this initiative. Mike Cantlay said Sandy was looking at the right issues and will prioritise funding in the key areas.

The Chair summed up by saying this was a high priority – identifying opportunities and a market for young people and business.

Item 4 – Inward Investment Plan

Mr McKee introduced a plan to grow Scotland’s inward investment – which would shape Scotland’s economy. It was evidence-led and identified the key sectors where we are strong at attracting inward investment. He outlined that values are at the heart of the new approach with a wellbeing economy, fair work and net zero all

embedded. There was a huge interface with other policy areas like skills and the digital roll out.

Stephen Pathirana highlighted this work was an exemplar of policy made in collaboration and had involved SDS, SFC, HIE and SE. By inward investment they meant firms with a HQ outside Scotland that were creating jobs in Scotland. It accounted for 3% of business and was responsible for over a third of jobs, half our GVA as well as two thirds of R&D spend and three quarters of exports. They had looked into DIT UK wide data to identify the factors that matter.

Charlie Smith highlighted slide 9, which sets out the ambition and rationale for the plan, and asked how do we get from an opportunity focus to a more strategic focus. The wider system has to think about the future of the economy. The third dimension is to look at trade flows. Slide 10 was high level and demonstrated the importance of policy alignment. Slide 12 looked at regional propositions. There would be a lot of work needed to operationalise the plan. Stephen said there were a number of actions necessary. He also touched on skills and digital skills which were getting more important to inward investment. They would work across the system to deliver the plan – which was due to be published around the 8th October.

Grahame Smith felt the slide 9 was where we wanted to get to but highlighted we had seen these objectives before and queried how would it be different this time. He thought the values were laudable but wondered what trade-offs this would mean. Stephen replied that as was demonstrated by the export growth plan bringing Economy Ministers together made it much easier for the agencies to execute it. This had a strong endorsement from Cabinet which gives a mandate to take it forward. Mr McKee thought that in terms of the values the sectors were all pointing in the right direction anyway. Those investing were in a different place to those in the past. If we focus on those opportunities the alignment will be easier.

Caroline Barelle mentioned jobs creation which was embedded in the inward investment plan. She referenced Mark Logan's report. In terms of where we are in Scotland just now she felt there was a lot of cross translational content in the Logan report. Martin Fairbairn highlighted the second last slide and commented that they had started to engage with four universities. He suggested they broaden out the idea of a protocol – looking at talent and a full package of support.

The Chair thanked Mr McKee, Mr Pathirana and Mr Smith.

Item 5 – Papers for Noting

The Chair ran through the papers for noting and suggested that if there were any questions members should get in touch with Richard Murray or Stuart King.

She also mentioned the intention of having someone from SOLACE as an observer on the Board and would update members on this before the next meeting.

The next meeting was planned for 5th November. Agenda items would include:-

- a substantial item on skills alignment
- an update from SG on strategic priorities and cross-agency plans to deliver
- an update on the missions review work

Actions

ESSB September 20 (01)	The next Strategic Board meeting to have an item on skills alignment, progress, challenges and funding issues - to be lead jointly by SFC and SDS.
ESSB September 20 (02)	Frank Mitchell to share work done with Oonagh Gill on priorities.
ESSB September 20 (03)	The agencies alongside the AU/secretariat to continue the mission review work. SG to produce a clear strategic narrative along with key short, medium and longer-term priority areas; indicating lead body and governance structures
ESSB September 20 (04)	Gavin to set up a discussion between Sandy Begbie and Grahame Smith on consistency between the Young Person's Guarantee and Fair Work.