

## **Note of Strategic Board Meeting – Wednesday 19 September 2018**

### **HIE Offices, An Lòchran, Inverness**

#### **Item 1. Welcome, apologies and conflicts of interest**

The Chair introduced the meeting by asking Lorne Crerar to welcome the Board to the HIE premises. The Board watched a short video about the work of HIE in the Highlands and Islands.

The Chair advised that apologies had been received from Karen Betts, Russell Griggs and Scott McLarty, and welcomed Sandra Dunbar from HIE.

There were no issues raised as conflicts of interest.

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

There were no matters arising. The Board agreed the minutes were read and accepted subject to two minor changes.

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

The Chair updated the members on the meetings and conversations she had been involved in since the last meeting and her thoughts on what she wanted to achieve at this meeting.

#### **Item 4. Impact of the Strategic Board: Programme for Government, Economic Action Plan, SG guidance etc**

Dominic Munro, SG Director for Fair Work, Employability and Skills gave a presentation.

This set out that there were four channels that the Board can use to drive improvements in delivery and support outcomes:

- Stronger Alignment and Collaboration
- Effective Strategic Planning
- Performance Reporting (Analytical Unit)
- Interaction with SG Policy and Deliver

The presentation explained how the Board's work will impact on the policies of the Scottish Government (SG) and how the Strategic Plan will interact with key SG milestones.

The presentation was welcomed by the Board. Some points highlighted were:

- There was recognition of the clear distinction between things the Board will do and things it will recommend others do.

- The Board's wider influence on the economy was discussed, and the need to engage with the wider community, e.g. employers, the private sector, other agencies of government and local government.
- The Board should consider prioritisation of wider issues to bring to SG, e.g. look to influence considerations on infrastructure.
- The Board should consider implementation - operationalising the plan.
- The importance of the Analytical Unit and the Performance Framework in this space was also highlighted.

### **Item 5. User Journey and embedding culture change**

Sandra Dunbar from HIE gave a short presentation offering an update on progress on the user journey work and information on plans for the digital entry point part of the project.

This included:

- An overview of the business support environment and a customer perspective.
- Information on the shared entry point – an online access point for business support to deliver a consistent environment for assessment, signposting and referral.
- Information on the programme approach, setting out that agency governance would be secured by October and a programme plan completed by December.
- An illustration of the collaborative working that was happening.

There then followed a discussion, including covering the following areas:

- This was the biggest and most apparent change that business will see. Are things changing and who is testing for change?
- For the user journey, different representative client groups for each stage would get involved in testing.
- Block chain technology could help drive a solution - learning from MyGov for example and using SE digital team.
- This was a redesign, not just digitising what the system already has.
- The project was beginning with the entry point but would extend into wider regulatory framework.
- The ambition to include Business Gateway was welcomed.
- Branding would be important – what is it going to look like?

Bob Keiller updated on how the agencies plan to embed this user focus and collaborative approach in their operations and culture. A workshop was held in June for all agencies and formed the basis for exploring a common set of core values at a second workshop scheduled for 09 October. A proposed set of values would be taken back to the agencies and the CEOs, to consult on and look at implementation. The work was looking to justify why the agencies would be doing things differently. It would recognise the sensitivities and look to move on positively.

- **Action 1 – The user journey item should return to the next board meeting**

### **Item 6. Strategic Plan Development**

Sam Anson introduced a draft Strategic Plan paper. He explained that drafting was a work in progress and that a lot of the thinking was done, with the focus now on how to present it in a way that's accessible. He set out a timeline towards completion.

The board was invited to discuss factors including:

- The structure and tone
- The process towards completion
- The audience for the Plan
- The design elements
- Ensuring a common thread between sections
- The balance of the depth of the material – should some stand out?
- The balance between strategic and operational considerations

A discussion followed, including around the following points:

- The need to bring the big ideas out - what is different, e.g. the user journey and the emphasis on fair work – and what are the advantages?
- The need to set a level of ambition.
- An executive summary should pull out the big ideas in the Plan.
- It should explain why the missions were chosen and the context for how the output was arrived at.
- It should have a narrative of where the Plan fits in to the overall picture.
- Regarding the timeframes for the Plan, this is the start of a journey. It should capture the dynamic and the evolutionary nature. The Board is gaining knowledge all the time and views will evolve.
- There is a whole range of timescales within the ambitions.

- **Action 2: A small editorial committee should be set up to drive the Plan's development**

## **Item 7. Development of Mission Output**

Each Mission then presented to the Board on the paper they had tabled, setting out how the Missions' output had been developed.

### *Business Models and Workplace Innovation*

Areas discussed around this mission included:

- The mission represents a big, strategic idea. There was an opportunity to be proactive rather than reactive, and all the agencies have a stake in it.
- There is potential for conditionality to be applied to business support, in order to support these aims.
- Retaining people will be crucial as the labour market tightens and the plan should point out that this mission is an opportunity to change the way things are done to help with that.

- Emphasis on what happens in workplaces – it should say what the agencies will do to get behind Fair Work.
- It should discuss management prowess and the need for education in that.
- Discussion on the potential for Government to consider how the tax system could further support reskilling. Tax incentives/co-investment could be used to support commitment to upskilling employees.
- 80% of businesses are single employees. Consider how should they upskill or reskill.
- The Plan should say why businesses should do this. What's in it for them? This includes the benefits of fair work to business.
- Centres of excellence should be business to business focussed.

### *Skills of the future*

Areas discussed around this mission included:

- Driving entrepreneurship within the school system, and recognising that languages are a business advantage – e.g. French will be useful in emerging African markets.
- Consideration of a predictive element within the demand-led approach.
- There is a need to be clear on the purpose of upskilling – e.g. for people to become more productive and resilient and have more opportunities.
- Set out the role for businesses – e.g. the role of placements and sponsorship of companies.
- The Plan should recognise the importance of also driving the demand for skills not just provision.
- The mission should have a focus on the users of the system.
- There is a need to be clear who is doing the demanding in a demand-led system, i.e. Businesses and/or learners.
- Upskilling is already being transformed – e.g. MOOCS – massive open online courses.
- There is a need to articulate what meta skills are.
- The gap in digital skills – consider if the mission can be more specific and look to fill the gap in a specific timescale.
- Considerations around supporting later stage careers and lifelong learning.

### *Business Creation and Growth*

Areas discussed around the mission included:

- The mission should focus on business scale up. Scale up from medium companies to large, and it should include discussion of social enterprises.
- Scale up requires leadership and management skills - co-invest in this and raise awareness of services available.
- Business Gateway (BG) and local government need to have a significant stake in this. BG and/or SLAED could be represented on the Board.
- Should drive a concerted effort to get behind Scotland Cando and Scotlandisnow.
- Connections should be made with Scottish National Investment Bank.
- Can frame as an improved digital solution for “the many” alongside face to face service prioritised on scale up potential. BG and SLAED should be included in the partnerships that identify the right companies.

- Look for evidence of successful interventions currently available for scale up that can demonstrate they work – use this to promote the services available.
- Recommend that BG are at the heart of the digital project. Ask agencies to look at their relationships with BG and how they can be made to work better. Consider in the light of the current parliamentary inquiry into BG.

### *Exporting*

Areas discussed around the mission included:

- SG will be co-inventing and coordinating much of this activity. The mission needs to be framed in the context of what SG is doing.
- Look to grow Scotland is Now, especially the digital platform, and involve the private sector. Get the agencies behind it and inspire business.
- Encourage Ministers to be more “out there” in this space.
- The work needs to be part of UK initiatives in exporting and make use of their expertise and resources.
- National Exporting Service and improved air routes are two big areas for this mission.
- Consideration could be given to repurposing the £92m that we spend on European tuition fees.
- Invite the best and the brightest to live, work, study in Scotland. Does this mean a remodelling of the role of SDI?
- Use Higher Education better to promote Scotland.

### **Item 8. Draft Performance Framework**

Stuart King introduced the paper seeking agreement on the proposed approach to the framework to allow the AU to refine and populate it for the Plan in October.

The Board welcomed the proposed approach.

### **Item 9. Communication & Engagement around Strategic Plan publication**

A full communications plan had been developed for the publication of the Plan.

Regarding engagement, the discussion should be on how best to operationalise the Plan and develop the ideas further. An engagement programme would be undertaken following publication.

### **Item 10. AOB**

The Chair thanked John McClelland for his support and input to the Board and wished him well for the future.

- **Action 3: The Chair requested that the next Board should discuss the Board’s governance arrangements.**