

Note of Strategic Board 28 February 2019 - Alignment of agencies' business planning

Harper Macleod LLP, The Ca'd'oro, 45 Gordon Street, Glasgow, G1 3PE 9.00am-11.30am

Attendees:

Members: Nora Senior (Chair), Liz Cameron, Lorne Crerar, Jeanette Forbes, Steven Heddle, Gerry McCusker, Grahame Smith, Willie Mackie, Frank Mitchell, Mike Cantlay, Wendy Alexander, Russel Griggs (Dialled in), Poonam Gupta (Dialled in)

Other attendees: Charlie Smith (SE), Martin Fairbairn (SFC), Charlotte Wright (HIE), Dominic Munro (SG), Liz Ditchburn (SG), Stephen Boyle (SG), Stuart King (SG), Joe Brown (SG), Gary Gillespie (SG), Aileen McKechnie (SG), Damien Yeates (SDS), John Murray (SDS), Paul Mullan (Secretariat).

Apologies: Scott McLarty, Sara Carter and Karen Betts

Item 1. Welcome, apologies and introductions

The Chair introduced the meeting by:

- Thanking everyone for taking the time for an additional meeting - the Board felt it was worthwhile looking at where we are in terms of alignment.
- Advising that apologies have been received from.
- Explaining that the purpose was to see presentations on alignment of agencies and have discussions about the progress of alignment
- Suggesting a slight change to the agenda – the Board would hear all the presentations on alignment together and then have the discussions.

Minute of January Meeting

- Stephen Boyle and Stuart King noted they were not included as attending the last Board.
- Language on alignment to be adjusted to better reflect discussion in meeting.

Item 2. Presentation on Brexit from Chief Economist Gary Gillespie

Gary Gillespie set out that the Scottish Government (SG) published its plan last week and that the resilience committee is now meeting regularly and being chaired by the First Minister.

Gary discussed the possible implications from a no deal Brexit that Scotland needs to be prepared for:

- Falling growth in the economy
- Issues with supplies, transport and logistics
- Possible interruptions to the supply of food and key goods
- Might see interest rates dropping to support the economy
- SG is trying to prepare for the worst impact and plan its support for industries.

- **Action 1: Gary to share copies of his slides**

Item 3. Agency Planning Alignment and collaborative working

Presentation from Martin Fairbairn, Deputy Chief Executive, SFC on behalf of the Strategic Planning Joint Working Group.

Martin set out the background to the work of the group and discussed how the agencies previously operated on entirely different operating cycles and process plans so it was an achievement that these aspects were closer aligned now.

The Strategic planning group is actively engaged across all agencies with interactions from CEO, Board Level to front line staff.

The Analytical Unit have also assisted with performance and process mapping.

All the agencies are working across common assumptions around economic context, employment figures, skills and Brexit.

Comments following the presentation included:

- The agencies should identify issues of potential conflicting SG targets placed on them and SG could then look to broker discussions.
- There is a need to see collaborative working embedded in culture and the working environment. The agencies need to shape a culture of collaboration. Businesses and SG need to be involved in this cultural change.

- **Action 2: Secretariat to work with agencies and the Strategic Board Planning Working Group to identify potentially conflicting SG targets.**

Item 4. Agency CEOs presentations of Plans

The Board then heard presentations from each of the Chief Executives around their respective plans and the alignment of the work.

Damien Yeates, SDS Chief Executive:

- SDS' ambition is to drive inclusive growth and they are calling on the Strategic Board to commit to this ambition.
- SDS are looking to change the way people are upskilled and reskilled to ensure people are constantly learning and relearning.
- Skills alignment is very important as skills should be driven by economic need.
- It is a challenge not having a single funding system.
- SDS and SE have committed to a joint workforce in some areas and want to see joint funding.
- There is a need for agency fluid teams to ensure all staff can work across all agencies.

Charlie Smith, Deputy Chief Executive SE:

- SE is going through an interrogation of roles in the organisation and looking to change the culture to one focussed on collaboration and partnership.
- SE are looking at the way they work with organisations and businesses, with a view to creating capacity and capability and driving dynamism.
- SE have developed a resilience dashboard to look at companies and regions going into difficulty so they can be prepared to provide proactive support.

Comments following the presentation included:

- There is a need to ensure that the visions are aligned across the agencies. The Board want to ensure that there is a shared vision across agencies under which agencies align.
- The agencies and businesses will buy into what the Board is trying to do if they see value in it.

Charlotte Wright, Chief Executive of HIE:

- HIE are now on the sixth decade of their journey. HIE are focused on the vision of the organisation and are keen to make things simpler and avoid jargon.
- People and place are particularly important to HIE. They are seeking to create an environment for growth - connectivity and transport are key elements to this.
- Partnership and collaboration is important – HIE promote collaborative working in communities. Guidance from Strategic Board and Scottish Government is reflected in HIE's plan.
- There is strong collaboration with SE, and HIE expect to have similar relationship with new South of Scotland agency.

Comments following the presentation included:

- The Analytical Unit should look to review the performance measures of the agencies for consistency and measures to reflect the specific mandates of HIE & SoS.
- The different size and needs of communities in rural Scotland should be considered as one or two jobs locally can mean much more in a small community.
- It was possible to see clear alignment with Missions in areas of the HIE plan.

Martin Fairbairn, Deputy Chief Executive, SFC:

- Impacts on education and training in the future are hard to anticipate, making it challenging to plan for the skills for the future.
- SFC is currently looking to refresh its values and review its links with other organisations.

Comments relating to all four presentations included:

- There was strong endorsement for joint Chair/CEO dialogue.
- The Secretariat should look to support the board to see whether we have alignment between the Strategic Plan's 4 missions and what's emerging in the agency plans.
- The presentations were not convincing in relation to engagement and alignment as all the plans are very different in character.

- The Analytical Unit should use the performance framework to drive support for shared outcomes among the agencies.
 - There is a need for timelines around outcomes and a process for decision making.
 - There is scope for further alignment across the plans.
 - It was important to get the planning process right for next year. The Board invited the agency chairs and CEOs and the Scottish Government to bring forward a proposal for how the planning approach should work next year to reflect agency to agency interaction with SG, and across SG.
- **Action 3 - Secretariat to look at alignment of the strategic plans of agencies with the Board's missions and the actions and recommendations.**
 - **Action 4 - Analytical Unit to work with agencies to highlight areas of shared outcomes.**
 - **Action 5 - Agencies and Scottish Government to produce proposal on how planning approach should work next year.**

Item 5. Scottish Government presentation on alignment

Presentation from Dominic Munro, Scottish Government Director for Fair Work, Employability and Skills:

- Dominic set out areas where alignment within SG had been improved. Directors responsible for all the agencies were involved and they work together on various joint forums. Relevant Directors also meet before and after every Strategic Board
- Sponsorship teams meet each other on a regular basis. There is clear policy alignment towards Scotland's economic strategy and in the development and delivery of the programme for government.
- Budgets of the agencies are separate but they all interact and work towards common outcomes.

Comments following the presentation included:

- There was a belief that the SG is still quite disjointed at times. There needed to be agreed shared outcomes in strategic guidance for the agencies.
- The Board would like to have an outline for decision making for business planning and development of plans.
- SG sponsor teams and Directors were asked to look at each agencies plans not just their own.

Item 6. South of Scotland Enterprise Agency update

Russel Griggs offered South of Scotland viewpoint on alignment and collaboration going forward.

Item 7. Agenda for the 21 March Board meeting

- **Action 5 - Proposals for the agenda for the March meeting will be shared following the meeting via email.**

Item 8. AOB

There was no further business.

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

Annex – Strategic Board Meeting – 28 February 2019-Glasgow

List of Actions:

1. Secretariat to share slides of Gary Gillespie's Brexit presentation
2. Secretariat to work with agencies and the Strategic Board Planning Working Group to identify potentially conflicting SG targets
3. Secretariat to look at alignment in missions and strategic plans of agencies
4. Analytical Unit to work with agencies to highlight areas of shared outcomes
5. Agencies and Scottish Government to produce proposal on how planning approach should work next year
6. Proposals for the agenda for the march meeting will be shared following the meeting via email