

scdi

Scottish Council for
Development and Industry

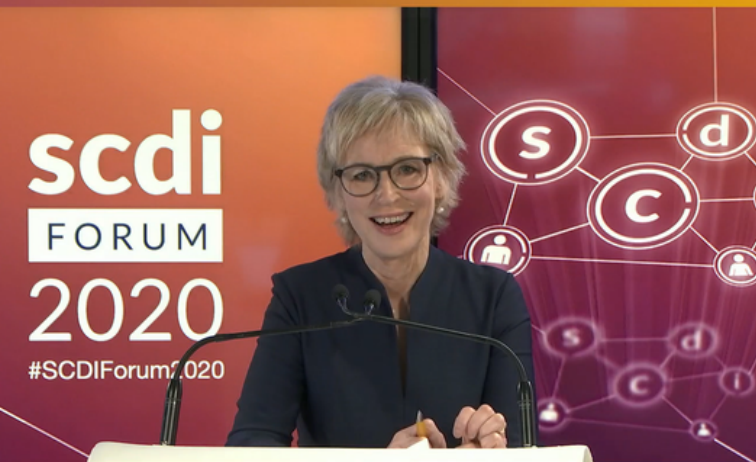
ANNUAL REPORT

2020-2021



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Economy Cabinet
Secretary Fiona
Hyslop MSP
opened Forum
2020 hosted by
broadcaster Sally
Magnusson

FOREWORD

I very much hope that you enjoy reading our latest Annual Report and that it gives you a sense of the breadth and depth of SCDI's operations.

We continue to live in challenging times, but some of those challenges also bring opportunities. While Covid 19 continues to be a challenge, our two most recent Forum events (in November 2021 and June 2022) were held in person once again, and it feels as if there is something of a return to normality.

However, we cannot, and should not, try to recreate the pre-pandemic economy. That pre-pandemic economy was failing too many people in society and there is an opportunity for civic society in Scotland to work together to create a new prosperity for all of Scotland.

The theme of our forum in June 2022 was “a new sense of purpose” and that theme resonated with both speakers and audience participants. As a membership organisation bringing together so many different players in Scotland's economy, we help to shape both government and business thinking and our aim is to deliver practical actions that address both social and business challenges.

In our 2021 blueprint for Scotland (“Making a good living”) we recommended that Scotland should aim to be a global hub for purposeful businesses that profitably solve the problems of people and planet. To address this, in a joint initiative with the Scottish Government, we set up the Business Purpose Commission for Scotland. The Business Purpose

“

We continue to live in challenging times, but some of those challenges also bring opportunities.

”

Commission's report presents not just a call to action but practical recommendations to help businesses undertake that journey to nurture their business purposes.

At SCDI we use our convening power to bring together participants across Scotland's many different regions and sectors. Our members bring their vision and energy to SCDI and that allows us to initiate discussions that change businesses and lives for the better.

Our work with all parts of society in Scotland is vital to ensuring that Scotland can flourish and we are excited to continue to play such a key role.

Joanna Boag-Thomson, Chair, SCDI

SHAPING CHANGE

We collaborated with key stakeholders to inform thinking and drive solutions through events, projects and reports.

- In the run up to COP26 in Glasgow our [Change for climate](#) campaign with NatureScot brought real life examples to inspire and inform small and medium sized enterprises on their journey to net zero
- Covid-19 and the impact of the UK's exit from the EU continued to dominate with SCDI participating in regular meetings with both governments to reflect members' concerns and shape government support. Our members' expertise and constructive approach ensures we remain a trusted voice
- The impacts of Brexit on our members prompted us to revive our international business committee under the Chairmanship of Martin Bell, Deputy Director, Trade at the Scotch Whisky Association. The committee has worked with members and stakeholders to remove barriers to international trade and investment
- We gave evidence to the Scottish Parliament Economy and Climate committees
- Our Director of Policy and Public Affairs spoke about Greenwashing at the Festival of Politics event
- Our CEO gave evidence to Scotland's Climate Assembly

Rt Hon Sir Edward
Davey MP, Leader of the
UK Liberal Democrats

Meet the politician

November 2020



Kwasi Kwarteng,
Secretary of State for
Business, Energy and
Industrial Strategy

Meet the politician

March 2021



Lorna Slater, Co-leader
Scottish Green Party

Energy and the
environment hustings

April 2021



Sarah Boyack, Shadow
Cabinet Secretary for
Environment, Climate
Change and Land Reform
Scottish Labour

Energy and the
environment hustings

April 2021

Ivan McKee MSP, Minister
for Business, Trade,
Tourism and Enterprise

Mind the gap
Report launch

September 2021



Richard Lochhead MSP
Minister for Just
Transition, Employment
and Fair Work

Meet the politician

August 2021



Kate Forbes
Cabinet Secretary for
Finance and the
Economy

Blueprint launch

June 2021



Rt Hon Alister Jack MP
Scottish Secretary

Blueprint launch

June 2021

MANIFESTO PRIORITIES

FOR A BETTER SCOTLAND

LEARNING THROUGHOUT LIFE

Help everyone to prepare for and realise their potential in all jobs in a changing economy



CLEAN GROWTH LEADER

Be at the forefront of developing, deploying, and exporting technological innovations



PLACES WHERE PEOPLE WANT TO LIVE, WORK AND VISIT

To build sustainable, resilient, and thriving communities everywhere in Scotland



A LIVING LAB FOR INNOVATION

Maximise the economic opportunities of the Just Transition to Net Zero



OUR REPORTS

Harnessing data, digital and technology to transform health and social care 2021

Clean growth manifesto 2020

Scotland's green recovery 2020

Upskilling Scotland: Skills and the fourth industrial revolution 2020

An economy for all of Scotland (Rural Commission) 2019

A World Leading AI and Data Strategy for an inclusive Scotland 2019

ELECTION BRIEFING

Our [Election Briefing](#) informed the 2021 Scottish Parliament elections manifesto development.

DIGITAL

The Scottish Government's Digital Strategy included several points SCDI made in its consultation response:

- a vision statement of ambition, timeline and KPIs to give focus to the strategy and allow other plans to be aligned
- a new data strategy for health & social care
- the expansion of the proposed digital academy to provide learning opportunities to the private as well as the public sectors
- the updating of SQA qualifications to reflect current needs and future requirements
- investment to scale up existing assets in Further and Higher Education and in programmes that have been shown to be successful such as peer-to-peer learning, coding for schools and young engineers and science clubs
- the exploration of programmes such as Teach Now which could be used to bring more IT professionals into teaching

In addition to our own thought leadership work we collaborated with key stakeholders to inform thinking through our participation in events, research and reports led by our members including the Climate Emergency Response Group (CERG).



ELECTION 2021 BRIEFING

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for Development
and Industry

INNOVATION CRITICAL

SCOTLAND'S NET ZERO MISSION AND
CLIMATE TECH OPPORTUNITY



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HARNESSING VALUE FOR SCOTLAND FROM OFFSHORE WIND DEVELOPMENT

MANIFESTO FOR CLEAN GROWTH CLEAN GROWTH LEADERSHIP GROUP



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MIND THE GAP

How data, digital and
technology can help
Scotland recover from
Covid-19, transform health
& social care and boost
our economy



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for Development
and Industry

Making a Good Living

A 2030 Blueprint
for Scotland



POLICY IMPACT

CLEAN GROWTH

LEADERSHIP GROUP



Building on the success of 2020's Green recovery report our Clean Growth Leadership Group developed a [Manifesto for clean growth](#).

The group brought together business leaders from business, industry, academia, local government and the public sector. The group identified clean growth opportunities for industry, energy, transport, places, people, finance and nature and 21 priority actions to maximise them.

Many of these were reflected in the Scottish Government's [Climate change plan 2018–2032 update](#) including:

- the bringing forward of the ban on new petrol and diesel cars to 2030
- increased support for clean growth innovation across the energy sector, such as hydrogen and carbon capture and storage (CCS), through a new £180m Emerging energy technologies fund and a new £5m Carbon capture and utilisation challenge fund
- new regulations and support to build an internationally competitive domestic supply chain for the renewables sector, including new requirements for developers to include supply chain commitments when applying to the ScotWind leasing process run by Crown Estate Scotland

- new incentives and support for farmers and crofters to reverse biodiversity loss and increase sustainability through new environmental conditionality requirements, scaled-up Agricultural Transformation Programme and enhanced advice services
- a new and expanded energy efficiency and retrofit programme to replace Warmer Homes Scotland from 2022
- greater support for green upskilling of public procurement personnel to better implement sustainable procurement duties and mobilise public spending for net zero
- exploring options to incentivise the production and use of sustainable aviation fuel
- working with UK Government and other devolved administrations to agree and implement a UK Emissions Trading Scheme
- strengthen controls and protections for peatlands
- increased public investment, and the development of new incentives to increase private investment, in peatland restoration and woodland creation



“Scotland’s social, economic and natural resources – from our skilled workforce and unrivalled landscape, to our innovative businesses and world-class colleges and universities – give us unique advantages which we can leverage to capture the economic value of the global transition to net zero.

Our vision is for Scotland to be a world leader in clean growth which delivers for people, for our economy and for our planet.

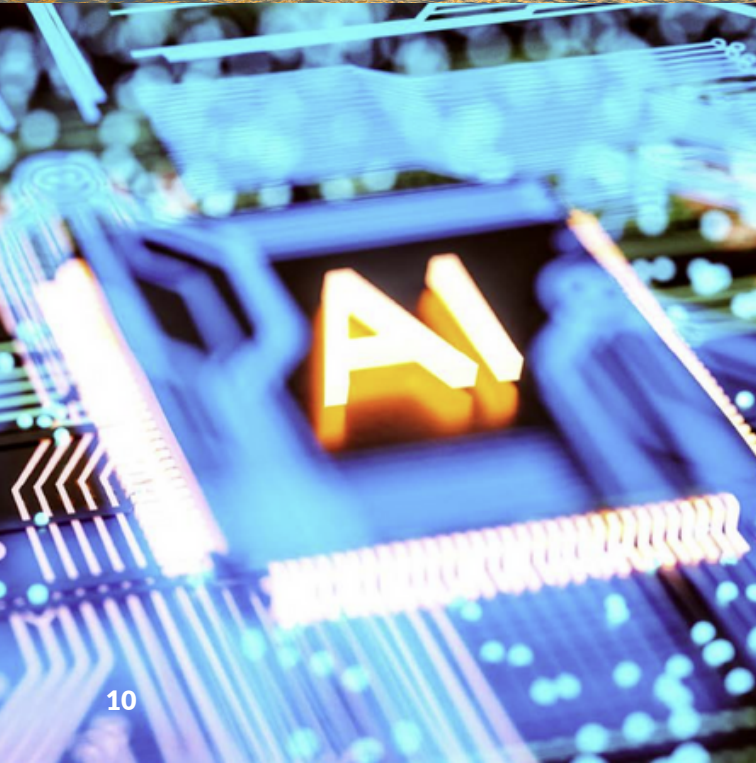
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ENERGY – HARNESSING THE VALUE FOR PEOPLE AND PLACES

The community benefits that onshore wind farm development can bring are well understood but how do we ensure the economic opportunity that leasing our seabed for wind farm developments represents is harnessed for the benefit of our people and places? Ahead of the ScotWind programme round in 2021 our [webinar and report](#) explored how we might unlock the benefits for rural and coastal communities through supply chain development and community engagement.

EVENT PARTNERS



CLIMATE TECH

Scotland has the potential to harness new and emerging digital technologies such as 5G, artificial intelligence and data analytics to reduce greenhouse gas emissions and mitigate the impacts of climate change according to our [Innovation critical](#) report. The report identifies key challenges for climate tech in Scotland and proposes recommendations to grow Scotland's climate tech sector and deliver a transition to net zero by 2045, which can create green jobs and boosts exports, innovation and productivity.

REPORT PARTNERS



HEALTH AND DATA

The pandemic served as a reminder that a healthy society underpins a healthy economy. Access to real-world health & social care data informed and enhanced decision-making and policy design saving lives and livelihoods throughout the crisis.

Our **Mind the gap** report highlighted the gap between the data we currently collect and the data we need and could collect, utilise or share in the future and how better use of data and technology could transform Scotland's health and social care sectors. The report estimates the value of data to be worth £800 million each year with estimated savings of almost 40% of its current budget for NHS Scotland to reinvest.

The report informed our response to the Scottish Government's Health & Social Care Data strategy consultation.



REPORT PARTNERS



A VISION FOR SCOTLAND

We asked our members what Scotland should be known for in the global economy of 2030.

Our blueprint, [Making a good living](#), identifies the opportunities we have before us and makes 12 recommendations to address:

- the transition to net zero carbon emissions
- an aging society
- slow population growth
- technological change
- slow growth and low productivity
- social inequalities

Many of the recommendations assist in the delivery of the [National Strategy for Economic Transformation](#) and we continue to work closely with both governments to ensure our priority themes are reflected in UK and Scottish policy.

Early actions include:

- The launch of a Business Purpose Commission for Scotland
- The introduction of a Moveable Transactions Bill to make it easier for businesses and individuals to raise finance using moveable assets
- A commitment to the further decarbonisation of transport including investment in the development of a high-value manufacturing base for low-volume, high-value zero-emission vehicles
- A major investment in active travel infrastructure
- The publication of a Wellbeing Economy Index to track progress towards broader economic and social goals
- Measures to further boost productivity in the foundational economy including the establishment of a Centre for Workplace Transformation and a further expansion of Productivity Clubs
- Implementing the next phase of the Green Jobs Workforce Academy

PARTNERS



SHEPHERD+ WEDDERBURN



openreach



The Blueprint
identified four
priorities

SCOTLAND'S
ECONOMIC
PURPOSE

A LIVING
LAB FOR
INNOVATION

LEARNING
THROUGHOUT
LIFE

HEALTHY
PLACES TO LIVE
AND WORK

EVENTS

Impressionist
Alastair
McGowan hosted
the online
Highlands and
Islands Awards

Bringing members together to learn from and connect with the best is core to what we do. 2020-21 was no exception; although over 90% of our events had to be held online, SCDI didn't slow down in attracting the best speakers and enabling quality networking in a different way.

WHEN LIFE GIVES YOU LEMONS, MAKE LEMONADE

Despite the inability to gather in person SCDI continued to ensure we were there for our members. The move online enabled us to reach members right across Scotland and increased our engagement. We piloted new platforms to bring our virtual events to life with innovative software which enabled us to bring winners to the virtual stage live to accept their award and allowed our guests to network at virtual tables.

FLAGSHIP EVENTS

MAKING A GOOD LIVING

Forum 2020 offered valuable insights from an inspiring line-up including ITV political editor Robert Peston, Shannon Vallor, Baillie Gifford Chair in the Ethics of Data and Artificial Intelligence, Oxford University Professors Dieter Helm and Colin Mayer, and Nature Scot CEO Francesca Osowka, with sessions on green and blue recovery, the journey to net zero, rebuilding the global economy, renewing growth remaking places and innovative and inclusive wellbeing economy.

ABERDEEN ANNUAL LECTURE

Over 200 members and guests gathered online to hear Chris Stark, Chief Executive of the UK Committee on Climate Change, share his vision for energy transition.

Dr Nicola Millard
Principal Innovation
Partner, BT

In conversation with...

October 2020



Rachel Skinner
President, Institution
of Civil Engineers

The future of places
post-pandemic

February 2021



Robert Peston

Forum

December 2020



Jane Morrison-Ross
CEO, ScotlandIS

A living lab for innovation

February 2021

Professor Linda Bauld,
Bruce and John Usher
Professor of Public
Health and CPHS
Co-Director

In conversation with...

May 2021



Ann Allen MBE, Chair
Architecture + Design
Scotland

The future of places
post-pandemic

February 2021



Martin Gilbert
Chair Net Zero Technology
Centre, Revolut Limited and
Toscafund
Senior Independent
Director at Glencore plc

In conversation with...

November 2021



Chris Stark
Chief Executive of the
Committee on Climate
Change (CCC)

Annual lecture

January 21

HIGHLANDS & ISLANDS BUSINESS EXCELLENCE AWARDS

WINNERS

Alvance Aluminium Award for Outstanding Business Leader

- James Mackenzie-Blackman – Eden Court Highlands BRONZE
- Harriet Fletcher – Highland Hiddle SILVER
- Tony Story – Kingsmills Hotel Group GOLD

Benromach Award for Excellence in International Business

- GlenAllachie SILVER
- MOWI GOLD

Ocean Winds Award for Excellence in Marine Innovation and Growing the Blue Economy

- Moray First Marine BRONZE
- Hebridean Adventures SILVER
- SAMS GOLD

SCDI Award for Excellence in People Development

- Visit Inverness Loch Ness BRONZE
- Global Energy Group SILVER
- Aquascot GOLD

The Crown Estate Scotland Award for Outstanding Supporter of Coastal Communities

- MOWI BRONZE
- Port of Cromarty Firth SILVER
- Cullen Bay Hotel GOLD

The Harper Macleod Award for Excellence in Natural Capital, Climate Change and Sustainable Communities

- McGowan Environmental Engineering BRONZE
- Robertson SILVER
- Plastic@Bay GOLD

The Highland Council Award for Highland Spirit and Resilience

- Moray Shop Local BRONZE
- Highland Hiddle SILVER
- Williamson Foodservice GOLD

The Highlands and Islands Enterprise Award for Excellence in Upskilling, Reskilling and Emerging Leaders

- Rybka BRONZE
- Culloden Battlefield SILVER
- AES Solar GOLD

The Open University in Scotland Award for SME enterprise of the Year

- Aquascot BRONZE
- Mikeysline SILVER
- Mesomorphic GOLD

SCDI Highlands & Islands Chair's Award for Outstanding Business Achievement

- Dunnet Bay Distillers

EVENT PARTNERS



DON'T TAKE OUR WORD FOR IT



I was really impressed with the event – excellent speakers and I was waxing lyrical to friends on how nice it was to see so many really excellent female speakers – good diversity!

There was a lot of information that will be useful and will help to inform future decisions.

Having been to a number of online events, this was by far the best format I've seen.

I enjoyed using the Remo platform... being able to network at tables was almost as good as in real life!

Great speaker and a well-organised event. Loved it. I was very sceptical, but it really provided a feel like we were at a "live" event. Thank you!

I really enjoyed the event, it was well put together, the timings worked well and the speakers were engaging. It was great to see the diversity among finalists and attendees.

Cool to hear from so many inspiring and innovative businesses thriving right here in the Highlands.



Keep up with
SCDI Events

OTHER HIGHLIGHTS

- We continued to offer opportunities to **Meet the politician**, securing Ivan McKee MSP, Rt Hon Sir Edward Davey MP, and Kwasi Kwarteng MP. We hosted an Energy and the Environment Hustings to allow representatives from political parties to present their policies ahead of the Scottish parliamentary elections.
- Ten speakers from a variety of sectors including energy, education, and tech joined our **Blueprint talks** series covering innovation, the future of places post-pandemic, lifelong learning, and the future purpose of business.
- **Climate tech** was a hot topic for members, with several events culminating in the launch of our Innovation Critical report. Members also had the chance to hear about Scotland's Tech Revolution, and learn about efforts to close Scotland's data gap, in two other tech-focused events.
- Our **In conversation with...** series proved a popular way to inform and educate members through discussion with high-profile leaders including Professor Linda Bauld, who became a trusted household name during the pandemic; Professor Todd Walker, who provided both an international and rural perspective as he spoke from Australia about his new role at the University of the Highlands & Islands; BT's Dr Nicola Millard, explored our future workplace; and industry leader Martin Gilbert, joined us for an online event and in-person dinner.



1500

Members from the
SME Community

40%

used Club as their sole source
of business advice in 6 months

92%

intend to attend
future Club events

50%

made improvements/changes
with club learning/ideas



Hearing about & learning from
peers was most valuable

Frontline external evaluation (June 2021) based on 103 participants

PRODUCTIVITY

Productivity remains a major challenge for the Scottish economy.

Our peer to peer learning clubs are designed to help small businesses and other organisations to improve their performance.

We provided SMEs with the opportunity to get better at what they do by focussing on different themes including purpose, leadership, collaboration, fair work, apprenticeships, digital marketing, e-commerce, digital transformation, collaboration and process changes.

We held 25 events and an annual conference.

Launching pilots in Edinburgh and Glasgow the club was expanded to the North East, Highlands and Islands and South of Scotland in 2020. Membership grew throughout the year.

[Productivity Clubs Scotland](#) continues to work closely with key stakeholders including Scottish Enterprise, the Productivity Institute and other industries and sectors to deliver the best possible speakers and support for attendees.

Fiona Chamber
Director
SV24-7 Vending

Digital transformation

September 2021



James Bream
CEO
Katoni Engineering

New ways of working

March 2021



Simon Cotton
CEO
Johnstons of Elgin

How businesses are
staying productive

May 2020



Euan Cameron
Founder & CEO
Cohesion Medical

Productivity online

June, 2020

Amanda Pickford,
Director
Therma FY

Innovation &
collaboration for
growth

March 2021



Paula Ritchie - Regional
Enterprise Director,
Royal Bank of Scotland
& Natwest

Productivity through
purpose

May 2021



Colin Lamb
Director
Connect Three

Fair work in a small
business

January 2021



Nathalie Agnew
Managing Director
Muckle Media

Productivity online

June 2020

INSPIRING THE NEXT GENERATION

Technological transformation and the journey to net-zero bring exciting opportunities for a better economy but having enough people with the right skills is critical to Scotland's ability to compete globally.

Employers' need for scientists, technologists, engineers and mathematicians is even greater now than when we set up our Young Engineers and Science Clubs (YESC) in 1987 to open young people's eyes to the opportunities and help them make the right choices.

Our team inspire young people by co-designing bespoke classroom activities with industry, giving them an insight into the world of work and real-life challenges to be overcome.

With support from industry, the programme has grown to be one of the largest extra-curricular Science Technology Engineering and Maths (STEM) schools outreach programmes reaching every part of the country, with coverage in all 32 local authorities.

The team moved quickly to online delivery and hybrid events, flexing the format for teacher CPD and reaching the whole class remotely.

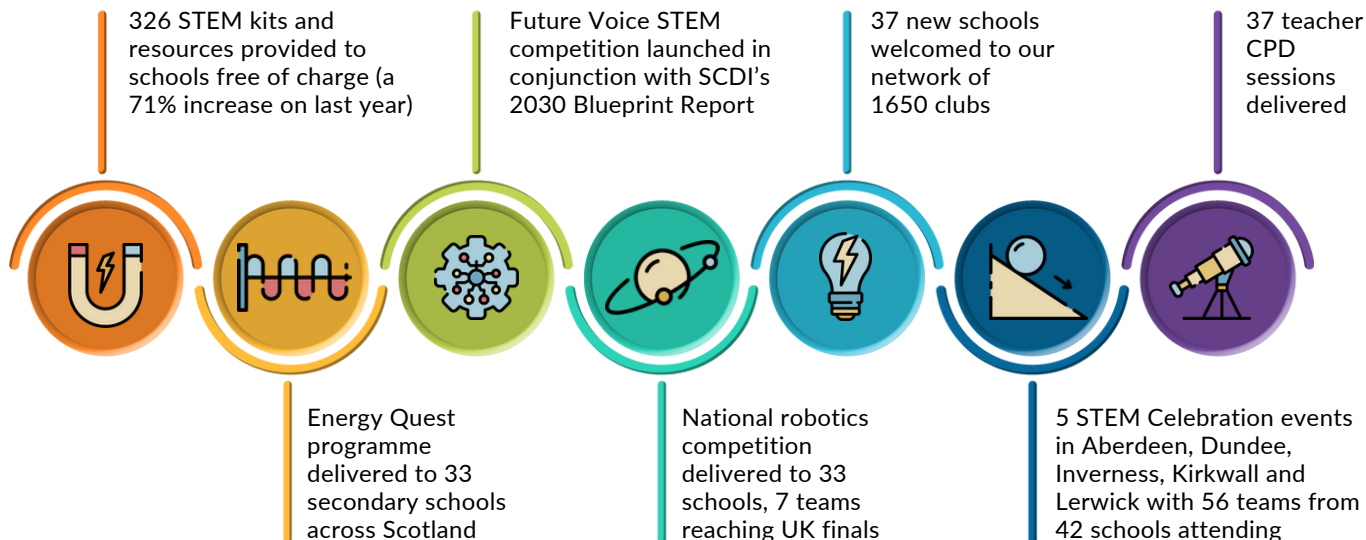
We engaged with more pupils than ever before reaching a more diverse audience and increasing the number of STEMs kits delivered.



LEAD PARTNERS

66.6% (146) of schools were in the top 25% BME (Black or minority ethnic pupil percentages), FSM (Free School Meal recipient percentages), 25% most deprived by SIMD (Scottish Index of Multiple Deprivation) or UR5/6 (Remote / Accessible Rural areas). This is a 4.1% increase on last year. 84.5% (185) in the top 50% SIMD or UR 5/6 with above average BME and FSM.





Royal Academy of Engineering

Ingenious



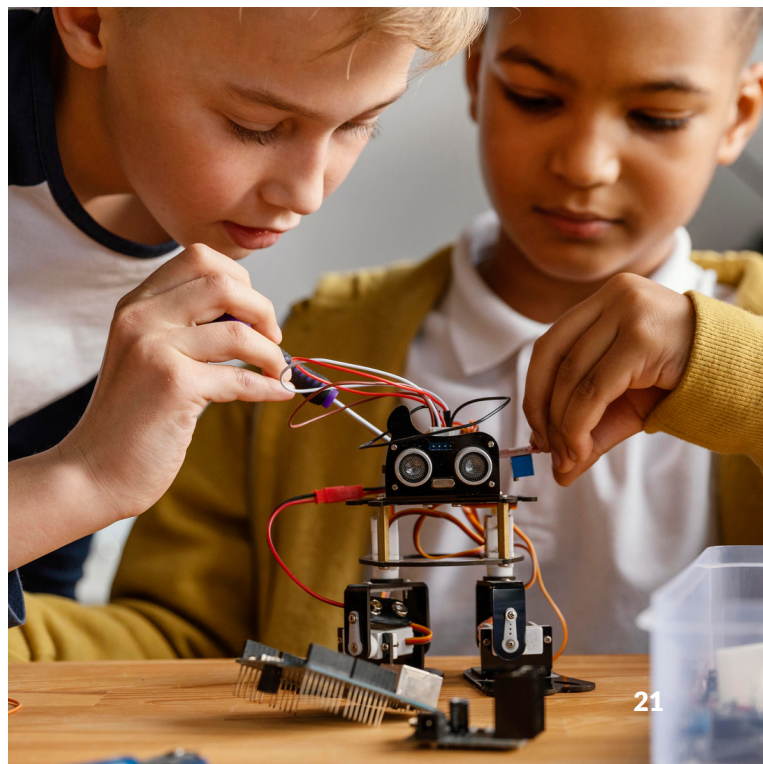
Crown Estate Scotland
Oighreachd a' Chrùin Alba



THE UNIVERSITY of EDINBURGH



ASSOCIATE / PROJECT PARTNERS



THANKS

The members of SCDI continue to be bound together by a shared desire to see Scotland prosper. I love the word prosperity.

It is forward looking, conveying a sense of progress and improvement while allowing space for personal interpretation and a broad diversity of views on what constitutes prosperity.

It is to be welcomed that prosperity means different things to different people. It can mean financial wealth and business success but it can also mean health, well-being, and sustainability. From delivering international trade and exports to unlocking and realising the potential of all our people from diverse backgrounds and with different skills and abilities.

From ensuring our communities are safe and welcoming to nurturing our environment - land, water and air - to be increasingly sustainable and appreciated by all.

Pursuing prosperity promotes discussion and dialogue, collaboration and creativity. These are things we value at SCDI and are excited to



Pursuing prosperity promotes discussion and dialogue, collaboration and creativity. These are things we value at SCDI and are excited to promote.

Andrew Ritchie, Vice Chair, SCDI



promote - convening people from all walks of life with a shared desire to see our nation prosper.

SCDI only exists because of its members and we want to thank you for your continued support and for what it says about your commitment to Scotland's prosperity and your willingness to play your part, working with others, to help address the challenges we all face.

THE TEAM



Forum 2021

Helping shape a better future since 1931

It will be the duty of the Council to examine and consider impartially the industrial, commercial and economic problems with which the country is faced for the time being; to endeavour to arrive at a solution to these problems and, where necessary, to obtain from Parliament such legislation as may be required to give effect to the conclusions reached by the Council.

SCDI, Constitution of the Council

scdi.org.uk