Deputy First Minister and Cabinet Secretary for Economy and Gaelic Leas Phrìomh Mhinistear agus Rùnaire a' Chaibineit airson Eaconamaidh agus Gàidhlig



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Claire Baker MSP, Convener, Economy and Fair Work Committee, The Scottish Parliament, Edinburgh, EH99 1SP

Copy to: Public Audit Committee

30 September 2024

Dear Claire,

I am writing in response to an action arising from the First Minister's appearance at the Conveners Group meeting on 18 September, to clarify my intentions as regards the National Strategy for Economic Transformation (NSET).

Update on plans to refresh NSET

You received a letter from my predecessor, the Cabinet Secretary for Wellbeing Economy, Fair Work and Energy, on 26 January 2024 which set out his intention 'to refresh and update our economic strategy' (NSET). The rationale behind a refresh was to refocus on the delivery of clearly defined actions which could be prioritised according to their impact. That letter committed to keep the Committee updated as work developed.

When I appeared before you on 29 May, in response to a question about plans for a refresh, I said:

"To be clear, having an NSET refresh does not mean rewriting it or adding to it, because I still stand by what was published. It is a 10-year strategy. However, there is an opportunity to consider what we have delivered already, what else we can still deliver, and what perhaps needs to be further accelerated'.

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As my appearance at the Committee was during pre-election period restrictions, followed by parliamentary recess, I welcome the opportunity now to be clear on my approach to NSET.

I do not intend to 'refresh' the strategy, in the sense of rewriting it or publishing a new strategic document. Instead, our Programme for Government (PfG) builds on the progress of NSET and sets out the priority actions we will take forward in the short term, to support economic growth. These actions are consistent with the existing NSET programmes, including to attract investment, drive innovation, support businesses large and small, and develop our workforce to sustainably grow the economy.

The work of the NSET Delivery Board has been integral to prioritising those actions that will have the biggest impact on fair, green growth, and the Board will support me in ensuring that we develop and execute plans to deliver against these priorities. We continue to work with partners and stakeholders to drive forward progress and maximise impact, and we will continue to report annually on NSET progress through the Annual Report, to ensure transparency.

NSET remains central to the Scottish Government's unwavering commitment to driving economic growth. We have already delivered 25% of actions two and a half years into the ten-year strategy, and a further 54% of actions are in progress. By accelerating the most impactful actions through PfG, we can unlock Scotland's economic potential and, in doing so, eradicate child poverty, tackle the climate emergency and invest in our public services.

I am sorry not to have updated the Committee more fully in writing on our plans as they have taken shape and am glad to take the opportunity to do so now. I look forward to discussing NSET and PfG with you further when I appear before the Committee in October.

Yours sincerely,

KATE FORBES

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