



T: 0300 244 4000
E: scottish.ministers@scotland.gsi.gov.uk

Professor Russel Griggs
By email

23 March 2021

Dear Russel,

SOUTH OF SCOTLAND ENTERPRISE – 2021-22 INTERIM LETTER OF GUIDANCE

Last year, we issued two letters of guidance. An interim letter of guidance in April 2020 asked South of Scotland Enterprise (SOSE) to stop all but the most critical ‘business as usual’ activity, re-prioritise and work collaboratively to meet the immediate challenges of the Covid-19 pandemic. More detailed guidance in December 2020 pointed to work being taken forward by SOSE to support the economic recovery, in line with the commitments in the 2020 Programme for Government.

Unfortunately, the sharp deterioration in the pandemic towards the end of 2020 made it necessary for the Scottish Government to impose new restrictions. SOSE was again asked to re-direct resource to help provide vital support for individuals, communities and businesses. I am very grateful to you and your staff for the arrangements you made to deliver support, at short notice, across your region.

As we enter the new financial year and begin a phased approach to easing restrictions, there remains a strong focus on business and community resilience. I am therefore proposing to take a similar approach to last year. This interim letter of guidance recognises the need for SOSE to continue to be responsive in the face of changing circumstances, whilst highlighting priority areas of work for the short to medium term. I propose that further, more detailed guidance is issued later in 2021.

Economic recovery

The 2020 Programme for Government underlined the need for our recovery from Covid-19 to be led by green growth and to also promote fairness and wellbeing. It committed to: a national mission to create new jobs, good jobs and green jobs, with a particular focus on young people; promoting lifelong health and wellbeing; and advancing equality and helping our young people grasp their potential.

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As the Cabinet Secretary for Finance and Cabinet Secretary for Economy, Fair Work and Culture made clear in their joint letter of 17 December 2020 to Chief Officers of all public bodies, it is critical that Fair Work is part of our ongoing response to the pandemic and a central element of our economic recovery. I look to SOSE to continue its progress in adopting Fair Work First, both as an employer and through attaching Fair Work First criteria to its grants, procurements and other funding.

Our vision of Scotland as a vibrant, inclusive, greener, open and outward-looking digital nation is now even more compelling as the pandemic has accelerated the impact of technology on our economy and our society. I welcome SOSE's support for our new digital strategy, which includes actions to ensure that Scottish businesses embrace the opportunities of digital technology.

Of course, many businesses are experiencing the dual impacts of Covid-19 and economic uncertainty caused by the UK's exit from the EU. As the practical implications and challenges of the post-Brexit trading environment become clearer, I look to SOSE to continue to work closely with partners to provide advice and support to businesses to help them adapt, maintain competitiveness and take advantage of new opportunities.

Operational priorities

Within this context, I welcome SOSE's focus on supporting the economic recovery, continuing to develop its offer for communities and businesses, driving change and influencing others, and building its capacity as an organisation. Engaging with partners and stakeholders will be an important part of delivery and I am encouraged by SOSE's openness to working closely with local partners and the other enterprise and skills agencies to shape our economic recovery and respond to the labour market challenges. I recognise SOSE's ongoing collaborative work with the Business Support Partnership to support the development and delivery of an enhanced universal service offer.

I look to SOSE to continue to support the aims of the Enterprise and Skills Strategic Board by working collaboratively with the Board, other agencies and the Scottish Government in support of its forward-looking priorities. I know that you will continue to participate in the Board's mission review and refresh of its Strategic Plan later in 2021. I welcome SOSE's recent engagement with Scottish Enterprise on development and implementation of the National Programmes and your contribution to ensuring that these programmes fully reflect the needs of the South of Scotland and the potential opportunities.

Supply chain development

Improving the capacity, capability and resilience of Scottish supply chains is key to economic recovery and to supporting the national mission to create jobs. I look to SOSE to contribute to development of the Supply Chain Development Programme and in doing so, ensure that work to analyse existing supply chains, build better and more strategic supply chains and leverage Scotland's public sector procurement takes full account of the gaps and opportunities in the South of Scotland.

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Regional delivery

I acknowledge the key role you are playing in supporting the implementation of the Borderlands Growth Deal and development of the South of Scotland Regional Economic Partnership.

The significant investments we are making through the Borderlands Deal on themes like Quality of Place, Tourism, Innovation, Infrastructure and Connectivity aim to maximise the region's economic potential and it is vital that our efforts and resources in the region align well to maximise the collective benefits and impacts achieved. I look to SOSE to play a leading role in working with Scottish Government officials and local authorities to shape, appraise and improve the Borderlands proposals and to support their effective delivery through active participation in the regional governance structures for the deal, sharing your knowledge and expertise.

In developing a Regional Economic Strategy for the South of Scotland, I expect a collective, ambitious and compelling vision, co-ordinating national, regional and local resources effectively to deliver actions that will create opportunities for all. I am keen for SOSE to support the Regional Economic Partnership's work and to continue working as part of the Convention of the South of Scotland to ensure these activities deliver tangible benefits for the region's economy and its people.

Climate change and COP26

As you are aware, the United Nations climate summit COP26 takes place in Glasgow in November 2021. I look to SOSE to support "Team Scotland" delivery of Scottish Ministers' objectives for COP26, including: mobilising businesses to go further and faster to net zero emissions; supporting growth opportunities through investment and exports; showcasing private sector leadership on climate change; and supporting communications around the summit.

Given the global climate emergency, I look to SOSE to play a key role in the national endeavour to achieve net zero emissions by 2045, by:

- aligning your investments and programmes with the priorities of the updated Climate Change Plan to support a green recovery and a just transition to net zero;
- engaging the private sector to encourage them to take action towards a just transition, including transition planning, a commitment to partnership working, placing equity and environmental considerations at the heart of decision making and supporting good, green jobs and sustainable procurement;
- helping to develop case studies to showcase action; and
- accelerating your own action to become a net zero organisation.

I look to SOSE to proactively support the joint work required to ensure the Green Jobs Fund successfully contributes to our green recovery, maintaining jobs and creating new businesses and jobs.

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Conclusion

I am aware that you are in the process of finalising your operating plan for 2021-22. I hope the guidance set out in this letter is helpful in informing your business planning for the coming year as we strive to deliver a more prosperous, inclusive and greener Scotland.

Yours sincerely,



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