

Cabinet Secretary for Wellbeing Economy, Fair Work
and Energy
Rùnaire a' Chaibineit airson Eaconamaidh do Mhath
Dhaoine, Obair Chothromach is Cumhachd
Neil Gray MSP
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Scottish Government
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Claire Baker MSP
Convenor
Economy and Fair Work Committee

13 December 2023

Dear Claire,

Thank you for your letter of 17 November requesting updates on a number of matters within the Wellbeing Economy, Fair Work and Energy portfolio. Updates on each of the issues raised by the Committee are provided below.

Follow-up to the Scottish Government response of 19 February to the Committee's inquiry report on Retail and Town Centres

Allocations made from the £100m to support business digital capability

To date, the Scottish Government has funded £38 million of financial and advisory support to businesses through four schemes: Digital Development Grants; Digital Development Loans; the Digital Boost National Programme; and a pilot project on digital productivity.

Due to the extraordinary pressure on public finances and the emergence of new priorities, these programmes are currently paused.

However, these schemes do not represent the totality, or even the majority, of the Scottish Government's investment in support for businesses to improve their digital capability. Broader institutions and publicly funded programmes engaged in activity of this kind include the DataLab, CENSIS, the National Manufacturing Institute Scotland, Techscaler, Business Gateway, the Smart Things Accelerator, Next Zero Technology Centre and the Scotland 5G Centre. Once these broader commitments are included, the Scottish Government will meet its commitment to invest at least £100m in the digital capabilities of Scottish businesses by the end of the Parliament.

Progress to develop a retail Fair Work agreement

The Fair Work Working Group (FWWG) a sub-group of the Retail Industry Leadership Group is continuing to progress the Fair Work action set out in Scottish Government's Retail Strategy and will have further discussions on their approach to this early in the new year.

Plans to reform Compulsory Purchase Orders

We remain committed to reforming and modernising compulsory purchase legislation in Scotland. As a first step we will appoint an expert practitioner panel later in this financial year to help inform the development of reform proposals. This position was set out in the 2023-24 Programme for

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Government.

Work undertaken by the Scottish Government to respond to the Auditor General for Scotland's recommendation to further develop the framework for investment in private companies.

The Scottish Government's most recent updates to the Business Investment Framework were published on 8 November 2023. In the spirit of continuous improvement, and through dialogue with internal and external stakeholders including Audit Scotland, officials periodically review and strengthen the Framework to build upon existing guidance.

A summary of the key changes made is included in the Finance Guidance Note at: [FGN2023-02 SPFM amendments: November 2023 - Scottish Public Finance Manual - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/finance-guidance-notes/pages/2023-02-spfm-amendments-november-2023.aspx)

The Business Investment Framework has been strengthened based on the themes of risk, monitoring & evaluation and transparency in line with recommendation made by Audit Scotland in last years' audit of SG's Consolidated Annual Accounts.

Mechanisms the Scottish Government has in place to monitor the cohesiveness of its strategies and plans

The National Strategy for Economic Transformation (NSET) is the overarching framework through which we are delivering the key economic priorities for Scotland.

Robust governance structures, including the NSET Delivery and Portfolio Boards, oversee the strategy's implementation across government. Delivery plans, along with metrics for success, were published in October 2022 and the first Annual Progress Report was issued in June 2023.

The Climate Change Programme feeds into the National Strategy for Economic Transformation and has oversight of the policies contained within the Climate Change Plan, Adaptation Programme and the Just Transition Plans.

This Programme also has a robust set of governance structures, with work ongoing to strengthen and mature these further. It is led by the Global Climate Emergency Board whose membership consists of senior leaders from across government who meet monthly to assess and discuss cross government progress. This Programme reports to Executive Team on a monthly basis.

The development of the draft Energy Strategy and Just Transition Plan and the draft Green Industrial Strategy (GIS) is being overseen by a shared SRO-led internal board. This ensures coherence between these draft strategies and existing plans such as the Hydrogen Action Plan.

Yours sincerely,



NEIL GRAY

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