

Deputy First Minister and Cabinet Secretary for
Economy and Gaelic
Leas Phrìomh Mhinistear agus Rùnaire a' Chaibineit
airson Eaconamaidh agus Gàidhlig
Kate Forbes MSP
Ceit Fhoirbheis BPA



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

Copy to: Public Audit Committee

19 June 2024

Dear Claire,

I am writing to inform the Economy and Fair Work Committee that the second NSET Annual Progress report has been published today.

Publication of the second NSET Annual Progress Report

The report shows that the NSET is delivering – two years into our ten-year strategy 17 actions (22%) are complete. Significant delivery milestones include the roll out of Techscalars to support start-ups and boost entrepreneurship in Scotland, 49,700+ houses connected through R100, early progress on the First Minister's Investment Panel recommendations, additional funding to strengthen offshore wind supply chains, successful delivery of Fair Work conditionality and progress on actions from the New Deal for Business Implementation Plan.

The economic context for delivering NSET remains challenging; but in the last year, Scotland's economy has shown improvements in growth, business activity, and consumer sentiment. NSET can continue to deliver improvements in these areas and remains central to the Scottish Government's unwavering commitment to driving economic growth. By accelerating the most impactful actions within NSET, we can unlock Scotland's economic potential and, in doing so, tackle poverty, realise our ambitions on net zero and invest in our public services.

With every pound worth significantly less than when the strategy was launched two years ago, it is now more important than ever that we prioritise those actions that will most effectively grow our economy. As such, over the next year our delivery plans will be prioritised on a smaller set of actions to ensure all our resources are focussed on the actions that will make the biggest impact.

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Our upcoming Programme for Government will align with the NSET to highlight the priorities we will take forward over the next year to achieve fair, green growth. All actions we take forward will drive forward our mission to unlock our economic potential in order to tackle child poverty, drive progress towards net zero and increase investment in our public services.

Fair Work Action Plan Report

As outlined in the Minister for Energy, Just Transition and Fair Work's letter to committee of 29 April we have aligned the Fair Work Action Plan Report and second NSET Annual Progress Report.

The Fair Work Action Plan was published in December 2022 setting out actions to promote fair and inclusive workplaces across Scotland.

The report outlines key progress made towards becoming a Fair Work Nation. Highlights include the strengthening of our Fair Work First approach - applying fair work principles to all public sector grants, increasing the number of accredited real Living Wage Employers to over 3,500 in 2024 through funding to Living Wage Scotland and promoting fair work agreements across sectors where low pay and precarious work can be most prevalent. The publication of the Fair Work Evidence Plan in early 2024 will further support our understanding of the impact of the Fair Work Action Plan as we move forward with delivery.

Yours sincerely,



KATE FORBES

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