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Dear Jim

SCOTTISH ENTERPRISE - 2025-26 STRATEGIC DIRECTION

I am writing to set out my expectations of Scottish Enterprise for the coming year.

Strategic context

Across the Scottish public sector, it is imperative that we maintain our focus on the actions set out in the [Programme for Government 2025 to 2026](#) (PfG) to deliver on the Scottish Government's four main priorities of eradicating child poverty, growing our economy, tackling the climate emergency and improving public services.

I expect Scottish Enterprise to focus its efforts on growing our economy, working with the Scottish Government and partners to build on Scotland's entrepreneurial strengths, boost innovation and productivity, support trade and exports and attract investment.

PfG commitments

I expect Scottish Enterprise to support the delivery of key areas of work, as articulated in the PfG, focused on:

- helping businesses to start and scale, be more productive, access finance and attract investment, develop new products and services, enter new markets and positively impact on their communities;
- delivering a co-ordinated programme to attract investment in priority areas, including net zero and infrastructure;
- developing a national project pipeline of investment opportunities and launching the new 'InvestScotland' portal;

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- working with the Scottish Government to lead the delivery of points 1 to 4 and support points 5 and 6 of the PfG Six Point Export Plan, ensuring effective engagement of HIE, SOSE and other partners, and that programmes deliver export benefits for businesses across all of Scotland;
- accelerating investment in offshore wind supply chains and enabling infrastructure, such as ports and harbours, including a focus on clustering of tier 2 and 3 opportunities to deliver local economic benefit;
- investing in infrastructure critical to the economy;
- developing the Green Freeport in the Forth estuary, and establishing two new Investment Zones, in Glasgow and the North East of Scotland;
- increasing the number of women and under-represented founders starting and scaling businesses;
- implementing the Deeptech Supercluster;
- continuing to support clusters through the design of a systematic financial support and guidance scheme for cluster development, enabling the delivery of a portfolio of cluster development projects, providing cluster-specific support and accelerating the growth of emerging technological clusters where Scotland has a competitive advantage as set out in Scotland's National Innovation Strategy;
- working to improve Scotland's performance at producing high growth university spinouts and the broader commercialisation of research;
- driving the performance of Scotland's entrepreneurial ecosystem;
- empowering decision making and investment through Regional Economic Partnerships, including work to support Glasgow City's ambitions to create a metropolitan region and Edinburgh's Regional Economic Prosperity Framework; and
- working with industry to accelerate decarbonisation and create energy transition opportunities at major industrial sites, including work to secure a positive future for Grangemouth.

Delivery priorities

Within this context, I am looking for Scottish Enterprise to:

- play a key role in delivery of the Green Industrial Strategy as part of a Team Scotland approach in partnership with local communities. In particular, I expect Scottish Enterprise to focus on delivering public sector investment that leverages private investment in offshore renewables supply chain and infrastructure focused on clustering, alongside action to attract investment into CCUS and hydrogen projects; support Scotland's position as an attractive location for green datacentres and other clean energy intensive industries; and support the growth of green financial/professional services.
- support the Scottish Government's programme to attract large scale private capital investment, in particular by: leveraging Scottish Enterprise's expertise in land and property in the development of investable propositions; contributing to the development of the national pipeline; collaboratively supporting the Scottish Government to deliver the new 'InvestScotland' portal; and supporting a joined-up, strategic approach to investor engagement co-ordinated by the Scottish Government.

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- play a key role in delivery of the Innovation Strategy as part of a Team Scotland approach. Specifically, seek to: increase the number of entrepreneurs in Scotland, with a strong emphasis on increasing the number of female and impact focussed entrepreneurs; drive increased productivity across the business base; and grow the number of start-ups and support scale-ups in the priority clusters, sectors and academic/business ecosystems identified in the Strategy (e.g. critical technologies including AI, quantum, photonics and robotics, digital markets such as gaming, data and fintech, life sciences, energy transition, creative industries, and advanced manufacturing).
- leverage SDI's unique resources to attract significant inward investment, with a specific focus on delivering our PfG commitment to enhance SDI's inward investment attraction activity in London, Europe and the US through careful targeting of technology and financial services hubs.

Delivery mechanisms

In delivering the priorities above, I ask that you ensure that Scottish Enterprise:

- strengthens collaboration with partners and focuses on making the system work as effectively as possible. It is essential that we get the wiring right between the various components, to improve interactions with businesses and investors. In particular, leverage the contribution the higher education sector makes to economic growth.
- takes all steps to attract and access other sources of funding. In particular, that it works in a coordinated way with Team Scotland partners to engage with UK funding mechanisms including GB Energy, in line with the collaborative agreement, to maximise investment into Scotland and further develops partnering arrangements with UKG agencies.
- contributes to work to empower decision making and investment through Regional Economic Partnerships, supports Regional Growth Deals, the Forth Green Freeport and Investment Zones, and engages in regional Community Wealth Building initiatives.
- supports social enterprises, co-operatives and employee-owned businesses.
- promotes the implementation of Fair Work First.
- encourages the businesses it supports to embed a strong focus on climate adaptation and sustainability within their strategy/operations.

I ask that you also ensure that Scottish Enterprise provides all necessary support and information to the Scottish Government's sponsor team.

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Efficiencies

In line with the Scottish Government's 10-year Public Service Reform programme, it is important that Scottish Enterprise operates as efficiently as possible, in order to direct as much funding as possible to the delivery of economic development support. Specifically, it is expected that Scottish Enterprise:

- continues to make progress in reducing its expenditure on corporate functions in ways that support effective delivery;
- has a workforce plan in place and focuses on achieving its target workforce of 968 FTE by 31 March 2026;
- works with other public bodies to capture efficiencies available through shared services and maximise the positive impact of their collective resources in supporting economic development; and
- contributes to the development of a future reform agenda.

Demonstrating impact

Impact will be demonstrated through Scottish Enterprise's performance measurement framework, and specifically its published measures and targets on:

- planned jobs paying at least the Real Living Wage;
- planned innovation investment;
- planned capital investment;
- planned international exports;
- growth funding raised by business;
- estimated CO2e savings.

In addition, I ask that Scottish Enterprise works with Scotland's other enterprise agencies to:

- engage with OCEA and independent experts to refine and validate modelling to demonstrate the return on investment and longer-term impact of the agencies' interventions;
- develop and operate a set of common measures that allow aggregation across all three agencies.

I look forward to working closely with you, and Scottish Enterprise's Board and staff, during the coming year. Our regular meetings will offer an opportunity to review progress and share information on the work taking place.

Yours sincerely



KATE FORBES

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