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Dear Shona

I welcome our productive discussions about our aspirations for the new South of Scotland Enterprise Agency and our shared commitment to ensuring that the area benefits from a new approach in advance of the statutory body.

We agreed that the interim arrangements should take the form of an interim South of Scotland Economic Partnership. I should now like to invite you to confirm that you are content to commit your council to being part of the Partnership.

The Partnership will be key in delivering a fresh approach to addressing the economic needs and opportunities in the south of Scotland. It will take forward activities to drive the economy, sustain and grow communities and capitalise on people and resources, promoting fair work and inclusive growth. It will also help prepare the ground for the new Agency.

The Partnership will bring together key organisations already supporting economic development in the area with an advisory group drawn from business and other non-public sector players, who will be appointed by Ministers. The Partnership will be chaired by the private sector to ensure that the private sector is deeply involved in the way services are shaped and delivered.

Once established the Partnership will want to confirm its priorities and strategic direction. However, in coming together, we want the partnership to commit to a number of key principles and ways of working. This will ensure that members work together collaboratively to deliver improved outcomes and inclusive economic growth, aligning their resources to maximise impact.

The key principles for the Partnership are set out in the Memorandum of Understanding (MoU) which is enclosed at Annex A. This has been developed through discussion with stakeholders and the Enterprise and Skills Review Implementation Board, set up to drive forward the early elements the Review. We expect the Partnership to report on activity to partners and to the Scottish Government. Notably the MoU clarifies that the public sector organisations will use their existing governance arrangements to make the necessary decisions they require in respect of committing resources to an agreed and prioritised work plan.

The partnership's activities will be co-ordinated by a lead individual supported by an executive team drawing on staff and resources from member organisations. The lead individual will work with the advisory group and partners to deliver the agreed and prioritised work programme.

I know that we all want to make quick progress in establishing the partnership so that it can start making a difference. I should therefore be grateful if you could:

- Commit your Council to being a member of the partnership, working to benefit the South of Scotland and to align resources to deliver improved outcomes and priorities and agree to the key principles set out in the Memorandum of Understanding;
- Nominate a Senior Official (perhaps your Chief Executive) to represent your Council on the Partnership. This Senior Official will ensure that your Council is appropriately represented, through your existing governance arrangements, to the Partnership.
- Nominate a key official to work with the lead individual on the Partnership's Executive Management Team, we hope they would be closely involved in work of the Partnership within your organisation and would be committing around a day a week on the actual work of the Partnership.

I remain committed to ensuring the success of the Partnership and shall be happy to consider how best the Scottish Government can support its ambitions. We shall, for example, be funding the post of the lead individual and meeting the costs associated with the mechanics of the advisory group.

I look forward to your confirmation that you are content to participate in the Partnership building on the productive engagement we have had. I am sure that working together we shall ensure that the Partnership drives the changes that we all want to see to benefit the South of Scotland. You will have seen the progress in shaping the partnership made this week with the appointment of Professor Russel Griggs OBE as chair of the Partnership and Rob Dickson as the lead individual.

I have written to Cllr Murray, leader Dumfries and Galloway Council and shall also be writing to the Chairs of agencies supporting economic growth in the South of Scotland: Scottish Enterprise, Highlands and Islands Enterprise, VisitScotland, Scottish Funding Council and Skills Development Scotland to confirm their participation.



**KEITH BROWN**

# **SOUTH OF SCOTLAND INTERIM ECONOMIC PARTNERSHIP – MEMORANDUM OF UNDERSTANDING**

## **Purpose of Agreement**

The South of Scotland Economic Partnership (the Partnership) has been established to respond to the economic needs and opportunities of the South of Scotland in advance of the statutory South of Scotland Enterprise Agency. This agreement sets out the high level principles which will govern the partnership's activities.

## **Aim and objectives**

With a clear strategic vision, the Partnership will take forward a range of activities that drive forward the economy, sustain and grow communities and capitalise on people and resources. The Partnership will promote fair work and inclusive growth with a clear focus on the South of Scotland, preparing the way for the new South of Scotland Enterprise Agency and ensuring the area benefits from a new approach in advance of the statutory body being constituted.

The Partnership will:

- Have a clear understanding of the assets and constraints facing the economy of the South of Scotland;
- Map current activity and set out what needs to be put in place in the future to support growth and to inform the work of the new agency;
- Identify and respond to gaps in provision and try new approaches tailored to the needs of the South of Scotland;
- Support change and drive alignment across partners and the private sector to ensure that the South of Scotland gets maximum benefit from support and investment;
- Bring together economic and community support to support sustainable communities;
- Deliver a clear and agreed interim economic outcomes plan, informed by evidence, to deliver inclusive and sustainable growth and fair work in the South of Scotland; and
- Define key performance indicators aligned to the economic outcomes plan.

## **Members of the Partnership**

The partnership will be chaired by [private sector name] with an advisory group of [10] individuals drawn from the private, higher and further education and third sectors, giving direction to the Partnership's work and co-producing its activities.

The following organisations will be members of the partnership:

- Scottish Borders Council
- Dumfries and Galloway Council
- Scottish Enterprise
- Highlands and Islands Enterprise
- Visit Scotland
- Skills Development Scotland
- Scottish Funding Council

The actions agreed by the partnership will be managed and implemented by a lead individual name seconded to the Scottish Government and accountable to it. The lead individual will be supported by an executive team with a nominated representative from each organisation. Committed to joint working, each organisation will be expected to contribute resources to the successful delivery of the Partnership's aims and work programme. This will include contributing to a team of people delivering the programme of work, with individuals being required to work flexibly responding to the demands.

## **Ways of working**

The Partnership will:

- have a clear and prioritised programme of work identifying the activities it will take forward during the interim period; and the resources that will be dedicated to this;
- engage with stakeholders across the South of Scotland, including businesses and those in the education and community sectors to ensure its work is informed by and responds to their views;
- provide regular communication on its activities and its progress to all relevant organisations and stakeholders;
- be committed to delivering the best outcome for the South of Scotland in everything it does and in all its actions; and
- Report on progress to the Strategic Board through the Partnership's Interim Chair

## **Geographic area of operation**

The Partnership will operate in Scottish Borders and Dumfries and Galloway Council areas. It will want to establish effective working relationships beyond its boundary, as appropriate and through working with neighbouring authorities ensure the optimal delivery of projects to benefit the South of Scotland.

## **Timescale**

The Partnership will run until the new South of Scotland Enterprise Agency is established.