



The Scottish Parliament
Pàrlamaid na h-Alba

Finance and Public Administration Committee

Shona Robison MSP
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and Local Government
Scottish Government

By email

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Dear Shona

Thank you for your letter of 20 June 2024 in which you set out your thinking in relation to publication of the Scottish Government's 2024 Medium-Term Financial Strategy (MTFS), which the Finance and Public Administration Committee considered at our meeting on 25 June.

The Committee welcomes the early engagement with the Scottish Government and Scottish Fiscal Commission (SFC) on this matter, including informal discussions with officials on 11 June, as well as our constructive meeting on 13 June. The Committee considers that this positive approach has enabled the various options to be explored in some detail and ensured a greater understanding of the potential implications for the Scottish Government, the SFC, and for parliamentary scrutiny. We therefore ask that a similar engagement approach is taken in relation to publication of the Scottish Budget later this year, not least in light of our shared interest in the Budget "being timed to ensure both robust decision making and robust scrutiny in the budget process".

The Committee notes your decision to delay the MTFS and to publish a fiscal update in September instead, followed by a statement to Parliament. While I'm sure we would all agree that the current situation is far from ideal, the updates to be provided by the Scottish Government in September and the SFC in August should be very

useful in providing wider context to parliamentary committees' pre-budget 2025-26 scrutiny.

We welcome your commitment to update the Committee "as soon as practicable after Summer Recess on progress on the Public Service Reform (PSR) Programme". As you know, this is one of three key strands of the Committee's pre-budget 2025-26 scrutiny and we therefore ask that the second update on the programme, which was due in May 2024, is provided as early as possible in September to inform and support our scrutiny.

We understand from your letter that you now intend to publish a *final* tax strategy and a refreshed infrastructure investment plan pipeline alongside the Scottish Budget 2025-26. This further delay is disappointing, particularly given both documents were originally due to be published a year earlier. We are also concerned that this change in approach may limit the opportunity for the Committee to input its views on what a tax strategy should look like, informed by our pre-budget 2025-26 scrutiny. The Committee therefore asks how the Scottish Government intends to take on board the findings from our evidence gathering on the content of the strategy given pre-budget reports are normally published in late October/early November. We also seek clarification of the purpose and objectives of the tax strategy as we are currently unclear why this apparently high-level document is so interlinked with one-year tax and spending plans.

The Committee further asks that the refreshed infrastructure investment pipeline is also decoupled from being published with the Scottish Budget and is provided as early as possible after summer recess, given its importance to progressing and maximising opportunities from capital projects.

We welcome your continued commitment to holding a debate on long-term fiscal sustainability and seek confirmation that a date in September will be secured for this.

Finally, the Committee would like to invite you to attend a working lunch at our Business Planning Day between 1 and 2pm on Thursday 28 August in Dundee to informally discuss current developments and upcoming Scottish Government fiscal publications.

Yours sincerely

Kenneth Gibson MSP
Convener
Finance and Public Administration Committee