Dear Edward

At its meeting on 5 December the Public Audit Committee considered and agreed its response to the Cabinet Secretary for Finance, Employment and Sustainable Growth on the draft Memorandum of Understanding (MoU) between the Scottish Government and HMRC. I have enclosed a copy of that response. In it the Committee makes a number of recommendations for changes to the draft MoU and seeks further information in some other areas.

Whilst this response has been sent to the Scottish Government for their consideration, the Committee would also welcome the views of HMRC, particularly on those areas where the Committee has either recommended changes or sought to clarify the level of detail to be included in HMRC annual accounts and extract; and the annual implementation reports.

It would be helpful if we could receive any initial views from HMRC by the end of January 2013, although please do not hesitate to contact the Clerk if this deadline causes you any difficulties. The Clerk, Jane Williams can be contacted on 0131 348 5207 or by email at pa.committee@scottish.parliament.uk.

Yours sincerely

Iain Gray MSP, Convener