

F/T: 0300 244 4000
E: scottish.ministers@gov.scot

Kenneth Gibson MSP
Convener
Finance and Public Administration Committee
The Scottish Parliament
Edinburgh
EH99 1SP

By email to: fpa.committee@parliament.scot

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Dear Convener

PUBLICATION OF THE 2024 MEDIUM-TERM FINANCIAL STRATEGY

Thank you for your prompt response to my letter of 20 May regarding the publication of the Medium-Term Financial Strategy (MTFS), the draft Tax Strategy and the Infrastructure Investment Plan (IIP) annual report and pipeline review.

I fully understand and appreciate the Committee's concerns regarding the delay to these publications and the impact this may have on pre-budget scrutiny. However, as the First Minister set out in his statement today, the Programme for Government and Fiscal Strategy must be developed in lock-step, with strategies and approaches aligned. It is also right that sufficient time and attention is given to the issues requiring decision across all three fiscal publications and that the First Minister and Cabinet can engage appropriately with these. This includes significant fiscal decisions on tax, public sector pay, and prioritisation of infrastructure investment. Publishing on 20 June takes into account the required time for Cabinet and Accountable Officer processes underpinning these decisions to take place. An earlier date risks the MTFS not providing an accurate view of the intentions and plans of this Government, in turn impacting the usefulness of the MTFS to Committees taking forward their pre-budget scrutiny.

Relatedly, it is also imperative that the Scottish Fiscal Commission's (SFC) Economic and Fiscal Forecasts reflect the decisions of incoming Ministers. In setting the 20 June publication date, I have therefore taken into account the forecasting process and ensuring we fully respect the protocol in place between the SFC and the Scottish Government. This stipulates that the Scottish Government must provide policy measures 14 working days in advance of publication of the MTFS. A 12 June publication would have required those policy decisions to have been taken yesterday (21 May) to be included in the forecasts.

Based on these considerations, I intend to continue with a publication date of 20 June for the MTFS, draft Tax Strategy and IIP annual report and pipeline review. I appreciate the Committee will be disappointed with this decision but I am committed to ensuring that the publications and forecasts

are fully reflective of the choices and decisions of the incoming First Minister and his Cabinet. I am keen to support the Committee in its scrutiny role to the fullest extent possible and to that end I would be happy to offer a private session with officials before the formal scrutiny session to support the Committee to digest the information and approach laid out in the document. If the committee is interested in taking up this offer, please do get in touch with my officials to discuss further.

On the debate regarding long-term fiscal sustainability, I am committed to ensuring this takes place and engaging fully in the challenges we face in the longer term. However, given the short time between now and recess, and the volume of Parliamentary business to take place during that time, I will discuss with the Minister for Parliamentary Business to seek a date in September, and will revert once a date is secured. .

I look forward to engaging with the Committee on the MTFS and related publications in due course.

I have copied this letter to the SFC for information.

Yours sincerely,

SHONA ROBISON