



The Scottish Parliament  
Pàrlamaid na h-Alba

**Finance Committee**

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29 January 2013

*Dear Convener,*

Following a review of the budget process ([Finance Committee, 5th Report, 2009, Report on the Review of the Budget Process](#)) in Session 3 the previous Finance Committee agreed to introduce a strategic phase to the process which replaces the previous Stage 1 which had not been carried out since 2004. The aim of the Budget Strategy Phase (BSP) is to allow the Parliament to scrutinise the progress which the Scottish Government (SG) is making in delivering its own targets through its spending priorities and to take a strategic overview of the public finances around the mid-point of the current Parliament.

At its meeting on 16 January the Committee considered its approach to the BSP and agreed in the first instance to write to each of the subject committees, the Welfare Reform Committee, the Equal Opportunities Committee and the European and External Relations Committee inviting them to identify any specific areas on which they would welcome an update from the SG regarding its progress in delivering its priorities as set out in the 2011 Spending Review.

The Committee would then consider the responses before writing to the SG requesting an evaluation of performance in specific areas with the aim of producing a more focused process. The SG would publish a performance evaluation document

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alongside Spending Review 2013 and the committees would then have the opportunity to scrutinise this document as part of the budget process in the Autumn. This suggested approach was of course, dependent on the agreement of the SG.

I wrote to the Cabinet Secretary for Finance, Employment and Sustainable Growth on 17 January setting out the Committee's suggested approach to the BSP. He responded on 28 January confirming that he was content with our proposals. Both letters are attached overleaf for information.

I would therefore be grateful if you would provide me with details of the specific areas on which you would welcome an update from the SG regarding its progress in delivering its priorities as set out in the 2011 Spending Review. Each portfolio chapter within the [Spending Review document](#) sets out the SG's priorities in that area.

As detailed above, the Finance Committee will then consider responses before requesting an evaluation of performance in these specific areas. The Committee has also already stated in its [report on the Draft Budget 2013-14](#) that the SG needs to provide some linkage between spending and outcomes when evaluating its performance. The SG will then be invited to publish a performance evaluation document alongside Spending Review 2013.

The proposed timetable is as follows:

**Jan-April:** Committee consults with subject committees on performance information;

**May:** Committee writes to SG requesting specific performance information;

**September:** SG publishes performance evaluation document alongside Spending Review 2013.

**Sep-Nov** Committees scrutinise performance as part of budget process.

The Committee would welcome a response by **Friday 26 April 2013**.

Yours sincerely



**Kenneth Gibson MSP**  
**Convener**

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