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Dear Kenny,

Thank you for your letter on 27 June regarding the Scottish Government's fiscal publications over the coming months.

Firstly, I would like to thank you and the Committee for your positive engagement on the Medium-Term Financial Strategy and your subsequent agreement to the publication of a fiscal update and statement to Parliament in September to help inform your pre-budget scrutiny. I am considering what medium term analysis should be published alongside the 2025-26 Scottish Budget and will update the Committee in due course.

On the date for the Scottish Budget, the Scottish Government is committed to continuing to work alongside both the Committee and the Scottish Fiscal Commission to agree a date for the 2025-26 Scottish Budget. Before we make any decisions on this, it is important to have certainty on the UK Government's plans following the election and it is helpful that we collectively recognise the greater uncertainty that we are managing this year. The continuing difficult fiscal conditions coupled with the recent change of UK government, further increases the challenge in planning our future spending. I am, however, looking forward to working constructively with a new UK government on finance issues.

I am pleased to inform you that the Scottish Government is continuing to review the level of analyses and information published as part of the Budget process to improve Budget transparency and I will keep the Committee updated in this respect.

On Public Service Reform, I welcome the Committee's scrutiny and prioritisation. As discussed, the postponement was due to a variety of factors, not least the pre-election period. I remain committed to providing this update as soon as possible.

On the Tax Strategy, the decision to publish this as a final document, and to hold further stakeholder engagements in lieu of the public consultation, was taken to avoid both the consultation running during a potential UK fiscal event in the autumn and any further delays to the publication of the final strategy. I understand the Committee's concern and would like to reassure you that the work to develop the upcoming Tax Strategy publication is being informed by a wide range of stakeholder views, including the recommendations made by the Committee in their 2024-25 pre-Budget scrutiny report. Alongside this, my officials have offered further engagement with the Committee over the coming months to ensure that there is timely opportunity to feed into the development of the final strategy and I will continue to keep the Committee updated as this work progresses.

The Tax Strategy publication aims to support more transparent and consistent decision-making on tax policy in Scotland. It will build on the six guiding principles set out in the 2021 Framework for Tax and will consider the role of the tax system in the wider fiscal and economic landscape. Whilst the Tax Strategy is being published alongside the 2025-26 Draft Scottish budget, it will set a strategic and medium-term direction for tax with a focus on improving how we make policy decisions through strengthening our evidence base, improving how we evaluate tax policies and systematically embedding stakeholder engagement on tax.

On the Infrastructure Investment Plan (IIP) your letter also asked that the IIP pipeline refresh is decoupled from the Scottish Budget and published shortly after the Parliament returns from recess. To provide as much certainty as possible to Parliament and wider stakeholders of our capital investment plans, I must wait until I have confirmed capital allocations from the new UK Government. As with the wider budget, I will set out spending plans as soon as those allocations have been received and fully appraised and therefore, I cannot bring forward the IIP pipeline refresh as requested by the committee.

Finally, I would also like to thank you for the invite to join the Committee for a working lunch on 28 August regarding current developments and upcoming Scottish Government fiscal publications. I would be pleased to accept. I will be in touch in due course to confirm a date for the debate on long-term fiscal sustainability.

Your Sincerely,

SHONA ROBISON