## Director-General Scottish Exchequer Alyson Stafford CBE BA Hon (Oxon) MA ACA CPFA



E: dgscottishexchequer@gov.scot

Richard Leonard MSP Convener Public Audit Committee The Scottish Parliament Edinburgh EH99 1SP

14 June 2024

Dear Mr Leonard

## Impact of the general election on timetabling of Infrastructure Investment Plan publications

I am writing to update you on the latest position of our Major Capital Projects reporting following the delay to the planned publication of the Medium-Term Financial Strategy (MTFS) and associated documents including our annual progress report of the Infrastructure Investment Plan (IIP) and the review of the IIP's pipeline. These were scheduled for June but as a consequence of the Prime Minister calling a general election for 4 July, we are reconsidering their scheduling in accordance with pre-election guidance issued by the Permanent Secretary. The Scottish Fiscal Commission agree that publication of their economic and fiscal forecasts should be deferred and that a revised timeline will allow the Scottish Government to respond to new fiscal positions from an incoming UK Government, which of course could be material to the MTFS.

Given the summer recess and the uncertainty around when a UK fiscal event in Autumn might take place and the subsequent impact for the Scottish Budget 2025-26, I cannot at present provide a specific timeline for the rescheduled publication of the IIP pipeline review. Parliament will be informed when Ministers have taken a view on the revised timetable.

In relation to the six-monthly reporting, in order to maintain the rhythm of reporting and allow the Committee visibility of progress being made on major capital projects that are underway, I propose that the Scottish Government publishes its Annual Progress Report of the IIP for the financial year 2023-24, and the IIP Major Capital Projects Progress Update, in early September at the start of the new session.

This report will form the same basis of the previous report provided in January 2024<sup>i</sup> and whilst it will not contain a pipeline of planned projects or a programme pipeline update, it will outline the latest progress of infrastructure projects with a capital value of £5 million or more which are at the Outline Business Case (or equivalent) approved stage or beyond. The progress report will outline key infrastructure achievements during the last year as well as







the progress in implementing the recommendations made by the Infrastructure Commission for Scotland in its Phase 1 & 2 reports.

## Routine reporting schedule and improvements to reporting format

My officials have met with the Clerk to the Committee to discuss the scheduling of our Major Capital Projects reporting as well as the format and how the improvements Audit Scotland and the Committee has asked for, can be built into the reporting.

During these discussions, officials provisionally agreed to move the six-monthly Major Capital Projects reporting to August and February going forward in order to support better Committee scrutiny and to assist the Committee in the practical scheduling of any subsequent evidence session. In addition, my officials indicated that they had also been considering changes to the reporting format in order to improve transparency and links to the Infrastructure Investment Plan as well as addressing the issues raised in the Audit Scotland briefing paper for the Committee's session on 'Investing in Scotland's Infrastructure' on 7 March. The considered changes were discussed and welcomed by the Clerk and Audit Scotland subject to receiving and reviewing the outlined proposals by way of a draft mock-up.

I would envisage officials being able to provide and agree a draft mock-up of the outlined proposals to the Clerk of the Committee during the summer - with a view to formally consulting you and the Committee on whether this approach will meet expectations for the next full set of reporting in early 2025, should you find that useful. If there are changes that can be adopted into the report planned for August this year, we will seek to incorporate these without delay.

I hope this information is helpful to you and the members of the Public Audit Committee. If you have any further questions or queries, please let me know.

Yours sincerely

## ALYSON STAFFORD

We invest in people Silver



Infrastructure Investment Plan 2021-22 to 2025-26: major capital projects progress update - December 2023 - gov.scot (www.gov.scot)