

Lady Susan Rice
Chair

3rd August 2016

By email

Mr Michael Russell MSP
Convener
Finance Committee
The Scottish Parliament
Edinburgh
EH99 1SP

Dear Convener,

A Protocol between the Scottish Fiscal Commission (SFC) and the Scottish Government (SG) for the SFC's scrutiny of the 2017-18 Draft Budget has been agreed. This protocol sets out the manner in which the SFC and the SG will engage during the scrutiny process; the respective responsibilities of each party and the procedures for handling draft reports. The production and publication of the protocol is intended to ensure there is transparency in the interactions between the SFC and Scottish Government officials during the scrutiny process.

As the Committee will be aware, the Scottish Fiscal Commission Act imposes an obligation on the SFC and Scottish Ministers to agree a protocol for engagement in relation to the forecasting and assessment process once the SFC is established as a statutory body next year. We decided to develop a protocol jointly on a non-statutory basis this year, as part of our commitment to transparency; this will be revised next year to take account of the Commission's statutory functions and the associated change in the nature of the relationship with the SG.

The Protocol will be published on the SFC website today, and I understand will also be available on the Scottish Government website shortly.

Best wishes,

A handwritten signature in blue ink that reads "Susan".

Susan Rice CBE

cc: Mr Derek Mackay, Cabinet Secretary for Finance and the Constitution