

Dr Jim Johnston
Clerk & Chair of Budget Process Review Group
Finance and Constitution Committee
The Scottish Parliament
Edinburgh
EH99 1SP

2 May 2017

Dear Jim,

As you know, the Scottish Fiscal Commission is now established as an Independent Fiscal Institution (IFI) to support the Scottish Budget Process. Our existing remit covers the production of independent forecasts for Scottish GDP, Scottish devolved taxes and devolved demand-led social security payments. Our primary focus now is on delivering on our new statutory remit as set out in the Scottish Fiscal Commission Act 2016, in 2017-18 and beyond.

Our Interim Chief Executive was part of the group of external experts supporting the Budget Process Review Group (BPRG). As part of the BPRG's consultation, there was a reference to the role of the Commission with regard to medium-term financial planning.

IFIs have varied roles in different countries, dependent on the needs of the legislature, the executive and the fiscal landscape. While I didn't feel it was appropriate for the Commission to respond at this stage to the formal consultation, I would like the Group to note that the Commission will engage positively with the Scottish Government and Parliament should any change in remit be proposed as part of the Group's final recommendations, consistent with our role as Scotland's IFI.

I have copied this letter to the Convener of the Finance and Constitution Committee and the Cabinet Secretary for Finance and Constitution.

Best wishes,

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

Susan Rice CBE