



The Scottish Parliament
Pàrlamaid na h-Alba

Finance Committee

John Swinney MSP
Deputy First Minister
St Andrew's House
Regent Road
Edinburgh
EH1 3D6

Room T3.60
The Scottish Parliament
EDINBURGH
EH99 1SP

Direct Tel: (0131) 348 5215
(RNID Typetalk calls welcome)
Fax: (0131) 348 5252

finance.committee@scottish.parliament.uk

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Dear John,

Thank you for your letter dated 14 January 2014 in relation to the block grant adjustment for the devolved taxes. You will have seen from the Committee's report on Draft Budget 2015-16 that we have a number of concerns regarding the need for effective scrutiny of adjustments to the block grant arising from further devolution. In particular, there needs to be much greater transparency. With this in mind the Committee would welcome further detail on a number of issues raised in your letter as follows.

- A full breakdown of how the £494m figure has been arrived at;
- Further details of the outstanding issues in relation to the lag between implementation and receipt of the devolved taxes;
- Further details of the outstanding issues in relation to forestalling;
- Further details on the cash reserve and budget scoring of the block grant reduction and devolved tax receipts.

It would be helpful to have this information prior to the Stage 1 debate on the Draft Budget.

Yours sincerely

Kenneth Gibson MSP
Convener