



The Scottish Parliament
Pàrlamaid na h-Alba

Devolution (Further Powers) Committee

Rt. Hon Greg Hands MP
Chief Secretary to the Treasury
HM Treasury

c/o Clerk to the Committee
Room T3.40
The Scottish Parliament
Edinburgh
EH99 1SP

By email

Tel: 0131 348 5000
devolutioncommittee@scottish.parliament.uk

28 January, 2016

Dear Chief Secretary,

Re. Fiscal framework

I am writing to you and to the Deputy First Minister following today's meeting of the Devolution (Further Powers) Committee of the Scottish Parliament and in light of the recent press coverage of the negotiations on a fiscal framework.

You will no doubt be aware that it is this Committee that will make the recommendation to the Scottish Parliament, as part of our Final Report on the Scotland Bill, as to whether the Parliament should give its legislative consent to the Scotland Bill as part of any legislative consent debate. As you know, the Bill cannot proceed without the consent of the Scottish Parliament.

My Committee has said repeatedly that the fiscal framework is of equal importance as the provisions in the Scotland Bill itself in terms of the question of legislative consent. It is imperative that there is adequate time set aside in the process for committees in the Scottish Parliament to consider in some detail any agreement reached between the two governments before the question on consent is put.

The fiscal framework is not just a document for governments to agree. The Committee will also need to make its recommendation to the Scottish Parliament based on the outcome. Our position in this process must be fully respected by both governments if we are to fulfil our responsibilities to the people of Scotland to scrutinise any agreement on their behalf. The fiscal framework has major implications for whoever forms the next and future Scottish Government and there must be time built into the current process for parliamentary scrutiny.

It may be helpful to you if I advise you on some of our thinking when it comes to a potential timetable. With our Parliament set for dissolution on 23 March, any legislative consent debate will need to be scheduled by that date. To inform that debate, my Committee will be required to have agreed and published a substantive Final Report at least 5 sitting days in advance of the legislative consent debate. To have informed that Final Report, the Scottish Government will have been required to table a Legislative Consent Memorandum and draft legislative consent motion. To have informed such a Memorandum, a conclusion to the fiscal framework negotiations will be necessary.

Realistically, the last date my Committee can agree a Final Report is Thursday 3 March. To allow time for adequate parliamentary scrutiny of any fiscal framework and any Scottish Government legislative consent memorandum, this means taking final evidence from the two governments in the preceding weeks (23-25 February and 9-11 February, as we are in recess during the period 15-19 February).

We have invited the Secretary of State for Scotland to give evidence to us on Thursday 11 February and it would be extremely helpful if an agreement can be reached between the two governments before then if we are to conduct proper detailed scrutiny. The end of that week represents a worst case scenario for us in the Scottish Parliament if both governments are to respect the requirement that the Scottish Parliament be afforded a limited amount of time for scrutiny of any deal, especially when both governments have agreed there should be no detailed running commentary along the way.

I would encourage both governments to take heed of our prospective timetable and our position as the lead committee making the recommendation to Scottish Parliament on legislative consent and trust that both sets of Ministers will do their utmost to meet our needs.

I am writing to the Deputy First Minister in similar terms and am copying this letter to the Secretary of State for Scotland for his information.

Yours sincerely,

Bruce Crawford MSP
Convener