



The Scottish Parliament
Pàrlamaid na h-Alba

Rural Affairs, Islands and Natural Environment Committee

Mairi Gougeon
Cabinet Secretary for
Rural Affairs and Islands

c/o Clerk to the Committee
The Scottish Parliament
Edinburgh
EH99 1SP

rural.committee@parliament.scot

By email only

1 July 2022

Dear Cabinet Secretary,

SCOTTISH BUDGET 2023-24

The Committee considered its approach to its scrutiny of the 2023-24 budget at its meeting on 29 June 2022.

As well as considering the overall rural affairs and islands budget, the Committee agreed a specific focus on the Scottish Government's Islands Programme and financial commitments to support the implementation of the Islands Plan.

Overall rural affairs and islands budget

Following the publication of the revenue spending review, and noting the information provided in this table—

Level 2	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m	2026-27 £m
Agricultural support and related services	738	733	734	732	736
Rural services	43	44	45	47	47
Fisheries	16	6	5	5	5
Marine	82	94	93	98	96
Islands	3	3	2	3	3
Total (cash terms)	881	879	879	884	885
Total (real terms)	881	858	843	831	816

The Committee agreed to write to you to ask for more information on the following—

- The rationale for protecting certain areas of the budget and not others, including the rural affairs and islands portfolio?
- How does the Scottish Government expect these savings to be made?
- What analysis has the Scottish Government made of the impact of these real terms budget cuts on delivery of public services, the delivery of key objectives in relation to climate change and biodiversity loss, the ability to respond to ongoing impacts of covid and EU exit and on jobs and pay levels in the portfolio?
- To what extent did the information in the National Performance Framework influence the allocations in the RSR and what analysis has been done on the impact of the real terms reductions on achievement of the National Outcomes?
- What engagement has the Scottish Government had with stakeholders and relevant public agencies in advance of setting out its RSR allocations?
- What engagement is the Scottish Government planning to hold with stakeholders and relevant public agencies in advance of making its final decisions around allocations for the 2023-24 budget?
- Explanation for the £10m decrease in the fisheries budget and £12m increase in the marine budget between 2022-23 and 2023-24?

Good Food Nation plans and implementation of legislation

In your letter to the Committee, dated 13 June 2022, you told us that “the precise budget provided for the Food Commission will need to be taken in the context of future public finance considerations however we anticipate that running costs would be less than £1m per annum”.

It would be helpful if you could provide further information about this, in particular, information about the initial, set up costs, a breakdown of the recurring, annual costs and which budget line these costs have been met from. It would also be helpful if you could clarify how future public finance considerations have impacted on the proposals for the Scottish Food Commission.

Islands programme

In relation to the islands programme, the Committee would welcome further information on the following questions—

- The Targeted Review of the Capital Spending Review published in May shows that the islands capital budget is projected to be £25.8 million. The Programme for Government states that this is £30 million. Can the Government explain the difference?
- How did the Government decide on the £4 million Islands Programme allocation for 2022-23 when the Island Infrastructure Fund received £6.2 million the previous year?

- How does the £4 million support population retention and repopulation in those island communities most needing support?
- How does this capital spending link to other policies being considered, for example, repopulation zones and islands bonds?
- Why did the Scottish Government decide to adopt a competitive process? How does this differ to what went before?
- What are the benefits and risks of such an approach?
- Who is on the investment panel, how was membership decided and what is the role of Ministers?
- What criteria are/were used to assess and award bids?
- What role does the Scottish Futures Trust have in the delivery of the £30 million (or £25.8 million) Islands Programme?
- How many bids were rejected and what happens to those projects now?

I would be grateful for a response by Friday 27 August 2022.

Yours sincerely



Finlay Carson MSP

Convener

Rural Affairs, Island and Natural Environment Committee