

UK and Scottish governments agree first stage of the Fiscal Framework Review

News story

The UK Government and Scottish Government today (14 October 2021) agreed in principle the scope of the independent report that will inform the subsequent review of the Scottish Government's Fiscal Framework.



During an in-person meeting in Westminster, Chief Secretary to HM Treasury Simon Clarke and the Scottish Government's Cabinet Secretary for Finance and the Economy Kate Forbes agreed to commission an independent report on the Block Grant Adjustment arrangements, including a call for stakeholder input, prior to a broader review of the Fiscal Framework. The Ministers will confirm these arrangements in writing.

Chief Secretary to the Treasury Simon Clarke said:

After our first in-person meeting it's great that we've been able to get an agreement and can now get on with the Fiscal Framework Review and ensure fair and sustainable funding for Scotland's future.

We're continuing to work together to tackle the big issues we face as a United Kingdom, including climate change, levelling up opportunities and supporting jobs."

Scottish Finance Minister Kate Forbes said:

Today's meeting was positive and I am glad that we are finally making some progress on the fiscal framework. I have reached an agreement in principle with the Chief Secretary to the Treasury which enables us to move without further delay towards

commissioning the independent report, with the Fiscal Framework review itself beginning as close to the beginning of 2022 as possible.

While the report will look only at the Block Grant Adjustments, we agreed that the review should have a wider scope, and involve input from parliamentary committees and wider stakeholders.”

The Chief Secretary also chaired a quadrilateral meeting that included Cabinet Secretary Kate Forbes, and finance ministers from Wales and Northern Ireland where they discussed Net Zero, creating jobs across the UK and recovering from the pandemic.

Published 15 October 2021