

Cabinet Secretary for Finance, Employment and Sustainable Growth  
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Kenneth Gibson MSP  
Convener  
Finance Committee  
The Scottish Parliament  
Edinburgh  
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28 January 2013

Dear Kenneth,

**FINANCE COMMITTEE REPORT ON DRAFT BUDGET 2013-14: INITIAL  
SCOTTISH GOVERNMENT RESPONSE TO RECOMMENDATIONS**

I wrote to you on 21 January with the Scottish Government's initial response to your recommendations on the Draft Budget. Unfortunately, an administrative error has come to light, which I would like to correct.

In the table provided by SFT at page 4 of my response, the Royal Edinburgh Sick Children's Hospital should not have been included in the Draft Budget 2013-14 list of NPD projects for 2013-14. Excluding this project from that year is consistent with the overall capital investment levels included in the Draft Budget 2013-14 chart, and already provided to the Committee, and the regular updates on the pipeline published by SFT on its website. SFT's July 2012 update indicated that this project was expected to begin construction during 2014-15.

The attached letter from Scottish Futures Trust explains the correction.

JOHN SWINNEY

23 January 2013

# SCOTTISH FUTURES TRUST

John Swinney MSP  
Cabinet Secretary for Finance, Employment and Sustainable Growth  
5<sup>th</sup> floor, St Andrew's House  
Regent Road  
Edinburgh  
EH1 3DG

Dear John

## PROJECTS NAMED AS BEING INCLUDED IN NPD FORECASTS

We recently provided information to the Scottish Government naming the projects that were included in the forecast profile of NPD-financed capital investment. This information was used in your recent response to the Finance Committee.

Today, in preparing SFT's own response to the Finance Committee, we have uncovered an administrative error in the projects we recently listed as having been included in the estimates for the 2013/14 draft budget. Our capital profile estimate for the 2013/14 financial year did not include the RHSC/DCN so it was incorrect to list it in the table for that year. The RHSC/DCN was only included in the capital profile estimate from 2014/15 and should only have been listed in that year. You will know that this is the project that was significantly delayed by protracted negotiations with the existing PFI contractor.

On behalf of SFT I apologise for the error in the information provided to the Scottish Government. I have spoken to SFT's Chairman this afternoon and I know he plans to speak to you.

Yours sincerely



Barry White  
Chief Executive