

The following items of information are provided as extracts because they come from sources containing other information outwith the scope of your request.

**Extract 1 – Taken from the briefing note for the meeting on 30th May 2022**

**BRIEFING NOTE - CURRENCY**

**Purpose of the policy development session:**

*[Redacted]*

**Extract 2 – Taken from the briefing note for the meeting on 30th May 2022**

**Context:**

The SNP policy position is set out in more detail as follows:

*Among small successful independent countries there is no single approach to currency. Conference also notes the pound sterling is a shared currency across the UK and is available for Scotland to use, just as Ireland did for an extended period. However, conference believes it should be the policy of an SNP government in an independent Scotland to establish an independent currency, and agrees that the process and precise timetable for doing so should be subject to robust governance and guided by the six tests recommended by the SGC. During the period of transition to independence, work should begin on the establishment of an independent Scottish Central Bank with a Scottish Financial Authority, and the other steps required to support the establishment of a new currency. Until a new currency can be safely and securely established in the interests of the whole economy the currency of an independent Scotland should continue to be the pound sterling, ensuring continuity and stability for the Scottish people. Conference considers that an SNP Government should take the steps necessary to enable the Scottish Parliament to authorise the preparation of a Scottish currency as soon as practicable after a vote for independence with the aim that the currency be ready for introduction as soon as practicable after independence day.*

**Section 30(b)(i) – free and frank provision of advice**

An exemption under section 30(b)(i) of FOISA (free and frank provision of advice) applies to some of the information requested. This exemption applies because disclosure would, or would be likely to, inhibit substantially the free and frank provision of advice.

This exemption recognises the need for officials to have a private space within which to provide free and frank advice to Ministers before the Scottish Government reaches a settled public view. Disclosing the content of free and frank advice on economic and fiscal matters will substantially inhibit the provision of such advice in the future, particularly because these discussions are still ongoing and decisions have not been taken, and these discussions relate to a sensitive or controversial issue such as future fiscal policy for an independent Scotland.

This exemption is subject to the ‘public interest test’. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exemption. We have found that, on balance, the public interest lies in favour of upholding the exemption. We recognise that there is a public interest in disclosing information as part of open, transparent and accountable government, and to inform public debate. However, there is a greater public interest in allowing a private space within which officials can provide full and frank advice to Ministers, as part of the process of exploring and refining the Government’s position on future fiscal policy for an independent Scotland, until the Government as a whole can adopt a policy that is sound and likely to be effective. This private thinking space is essential to enable all options to be properly considered, based on the best available advice, so that good policy decisions can be taken. Premature disclosure is likely to undermine the full and frank discussion of issues between Ministers and officials, which in turn will undermine the quality of the policy making process, which would not be in the public interest.

**Section 29(1)(a) – Formulation or Development of Government Policy**

An exemption under Section 29(1)(a) of FOISA (Formulation or Development of Government Policy) applies to some of the information requested because it relates to the formulation of the Scottish Government’s policy on future fiscal policy for an independent Scotland.

This exemption is subject to the ‘public interest test’. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exemption. We have found that, on balance, the public interest lies in favour of upholding the exemption. We recognise that there is a public interest in disclosing information as part of open, transparent and accountable government, and to inform public debate. However, there is a greater public interest in high quality policy and decision-making, and in the properly considered implementation and development of policies and decisions. This means that Ministers and officials need to be able to consider all available options and to debate those rigorously, to fully understand their possible

implications. Their candour in doing so will be affected by their assessment of whether the discussions on future fiscal policy for an independent Scotland will be disclosed in the near future, when it may undermine or constrain the Government's view on that policy while it is still under discussion and development.