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Fiscal Framework Outturn Report

SG/2021/223

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Foreword by the Minister for Public Finance, Planning and Community Wealth

I am pleased to present the fourth annual Fiscal Framework Outturn Report. As Minister for Public Finance, Planning and Community Wealth, I am committed to fulfilling my responsibility to allow Parliament and others to provide effective scrutiny of Scotland's finances.

As with previous years' reports, this document provides information on the reconciliation process for Income Tax, Land and Buildings Transaction Tax, Scottish Landfill Tax, Social Security expenditure and Fines, Forfeitures and Fixed Penalties, as well as operation of the Scotland Reserve and our borrowing powers.

As we continue to implement the powers devolved under the Scotland Act 2016, this report will expand to support Parliament's scrutiny of Scotland's finances. For the first time, this year's report details outturn data for the Social Security benefits that were transferred to Scotland in 2020-21.

Subsequent outturn reports will expand to encompass all the powers devolved under the Scotland Act 2016 as they are introduced, in keeping with our commitment to transparency and accessibility.

A handwritten signature in black ink, appearing to read 'Tom Arthur', written in a cursive style.

Tom Arthur MSP

Minister for Public Finance, Planning and Community Wealth

1. Introduction

1.1 This is the fourth Fiscal Framework Outturn Report published by the Scottish Government. It forms part of a revised Budget process, as recommended by the final report of the Budget Process Review Group.

1.2 In keeping with the recommendations of the Group, it contains the following information:

- Outturn data for Scottish tax revenues and social security benefits (including comparison of outturn with forecast)
- Calculation of outturn Block Grant Adjustments (BGAs) and comparison with forecast
- Net effect on Budget (revenue/expenditure minus BGA) for each tax and social security benefit relative to forecast
- Implications of reconciliations for subsequent financial year
- Commentary on latest available interim outturn data on income tax
- Payments into the Reserve and withdrawals from the Reserve
- Balance of Scottish Reserve at the start and end of the previous financial year (with explanations for reasons for withdrawal or source of surplus)
- Borrowing undertaken during the past financial year, and assessment of how far Government remains below its various different borrowing limits
- Implications of borrowing in terms of estimated profile of future repayments.

1.3 The tax revenue and social security forecasts within this report have been drawn from the forecasts published by the Scottish Fiscal Commission (SFC) on 26 August 2021.

1.4 The forecasts of the BGAs are based on the Office for Budget Responsibility (OBR) forecasts of UK tax revenues and social security expenditure at the UK Budget on 3 March 2021. Since March the speed and effectiveness of the vaccine rollout, and the consequent easing of restrictions this has enabled, has meant that the economic outlook for both Scotland and the UK has improved significantly. Due to the timing differences between the SFC and OBR forecasts, and the significant difference in economic outlook embedded in them, comparisons of the latest available forecasts and BGAs should be interpreted with a large degree of caution. March 2021 OBR forecasts are, for example, likely to understate the BGAs and therefore overstate the likely Scottish Budget.

1.5 As a UK Budget had not been published at the time of the Scottish Budget 2021-22 in January, provisional BGAs were used to inform the

Scottish Budget as directed under the Fiscal Framework.¹ Updated BGAs were produced at the UK Budget 2021 in March 2021. However, the Cabinet Secretary for Finance and the Economy decided to use the provisional BGAs to inform the Scottish Budget. Where the latest BGA forecasts are referred to in this document, these are the updated BGAs produced at the UK Budget in March 2021.

1.6 Updated forecasts from the SFC will be published alongside the 2022-23 Scottish Budget. The OBR will publish its next set of forecasts on 27 October 2021, which will allow for the calculation of updated forecasts of BGAs.

1.7 As a result of changes to previous publication schedules, the majority of the outturn data used in this report is provisional. The 2020-21 outturn revenue and BGA data for Income Tax, Land and Buildings Transaction Tax (LBTT) and Scottish Landfill Tax (SLfT) are all provided on a provisional basis. The final LBTT and SLfT revenue data will be published as part of Revenue Scotland's Annual Reports and Accounts later in the year. HMRC outturn data, which is used to calculate the final BGAs for Income Tax, LBTT and SLfT, will also be available in due course. Provisional Scottish expenditure data is also used for 2020-21 Scottish Government Social Security expenditure and final data will be published as part of the Social Security Scotland Annual Report and Accounts in November. Provisional UK Government Social Security outturn data is also used to calculate the BGAs with final outturn being made available when the Local Authority, Parliamentary, and Country and Regional Tables 2020/21 are published later this year.

1.8 The following outturn data is therefore included in the report:

- Provisional BGA and revenue reconciliations for 2019-20 Scottish Income Tax;
- Provisional BGA reconciliations and revenue outturn for 2020-21 LBTT and SLfT;
- Provisional BGA reconciliations and expenditure outturn for 2020-21 Social Security expenditure, and;
- Final BGA reconciliation and provisional revenue outturn for 2020-21 Fines, Forfeitures and Fixed Penalties.

1.9 Due to the use of provisional data, the overall reconciliation applying to the 2022-23 Scottish Budget cannot be finalised at this point, but will be confirmed in the 2022-23 Scottish Budget document.

¹ Further information on provisional and updated BGAs can be found in paragraphs 61 – 66 of the [Scotland Act 2012 and 2016: annual implementation report 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/scotland-act-2012-and-2016-annual-implementation-report-2021/pages/61-66.aspx)

1.10 In summary, the following points are relevant for 2022-23 Budget considerations:

- The total provisional reconciliation required in the 2022-23 Budget will be a negative £14.8 million. This figure includes provisional reconciliations for 2019-20 Income Tax revenue and BGA, the provisional reconciliations of the BGAs for 2020-21 LBTT, SLfT and Social Security expenditure and the final BGA reconciliation for 2020-21 Fines, Forfeitures and Fixed Penalties.
- The residual balance on the reserve is £32 million based on 2021-22 drawdown plans. This is subject to change over the course of the financial year.
- Under current plans, the Scottish Government's capital debt will be £2.5 billion by the end of 2022-23, 82 per cent of its overall £3 billion limit.
- The Scottish Government plans to use its resource borrowing powers in 2021-22 to borrow £319 million.

Terminology used in this document

1.11 The Scottish Government must rely on forecasts when setting each Budget, and the UK Government also relies on forecasts when determining BGAs. When information about actual revenues and expenditure becomes available – known as ‘outturn data’ – subsequent Budgets are adjusted to account for the difference between forecast and outturn data. This process is known as a ‘reconciliation’ and can involve additions or reductions to Scotland’s Block Grant.

1.12 Outturn figures are often first published on a provisional basis before a final figure is published. As this data becomes available for different taxes and social security benefits at different times, reconciliations are made throughout the Budget cycle. A full explanation of the reconciliation process, BGAs and the calculation of Scotland’s Block Grant can be found in the Technical Note on the Fiscal Framework.²

² [Fiscal framework: factsheet - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/collections/documents/Fiscal-framework-factsheet-2022-23.pdf)

2. Tax – Overview of tax revenues, BGA and net Budget position

2.1 This section provides an overview of the latest information (outturn or forecast) available regarding revenues and BGAs for Income Tax and the fully devolved taxes – LBTT and SLfT.

2.2 Table 1 includes outturn data for Scottish Income Tax and fully devolved taxes for 2018-19 and 2019-20, and for 2020-21 for fully devolved taxes. Scottish tax outturn data is provided by HMRC for Income Tax and by Revenue Scotland for LBTT and SLfT. Outturn data required to calculate the outturn tax BGAs is provided by HMRC.

2.3 Table 1 also shows the most recent forecasts. Revenue forecasts are taken from the SFC's *Scotland's Economic and Fiscal Forecasts*, published on 26 August.³ BGAs are based on forecasts of equivalent UK Government tax revenue prepared by the OBR for the UK Budget published on 3 March 2021. Comparing the forecasts to the BGAs produces the net effect on the Scottish Budget.

2.4 However, due to the timing differences of the forecasts noted in paragraphs 1.3 and 1.4, comparisons of the latest available forecasts and BGAs and the resultant net effect should be interpreted with a large degree of caution. As noted by the SFC, with regards to Income Tax “*[t]here is no evidence of a significant divergence in Scottish and UK economic performance that would support such a high net funding position. We expect that the updated OBR forecasts due to be published on 27 October, which will include the latest outturn data, will reduce the gap between the BGA and our forecast of income tax revenues and the net funding position for income tax will return to be more in line with previous years.*”⁴ The timing differences also impact the fully devolved taxes.

³ [Scotland's Economic and Fiscal Forecasts – August 2021 | Scottish Fiscal Commission](#)

⁴ Para 4.13 of [Scotland's Economic and Fiscal Forecasts – August 2021 | Scottish Fiscal Commission](#)

Table 1: Latest Data on Tax Revenue and Block Grant Adjustments (£ million)

		Outturn		Forecasts					
		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Income Tax	Revenue	11,556†	11,833†	11,938	13,162	14,069	14,845	15,660	16,556
	BGA ¹	-11,437†	-11,685†	-11,762	-11,836	-12,616	-13,082	-14,027	-14,834
	Net effect	119†	148†	176	1,326	1,453	1,763	1,633	1,722
LBTT	Revenue	554†	597†	517† ²	653	694	733	777	829
	BGA ¹	-549†	-533†	-397†	-522	-618	-645	-692	-738
	Net effect	5†	64†	121†	131	75	88	85	91
SLfT	Revenue	149†	119†	106† ²	113	105	90	92	77
	BGA ¹	-105†	-99†	-87†	-95	-91	-80	-77	-81
	Net effect	43†	20†	19†	18	14	10	15	-5
TOTAL	Revenue	12,259†	12,549†	12,562	13,928	14,868	15,668	16,529	17,461
	BGA ¹	-12,092†	-12,316†	-12,246	-12,452	-13,325	-13,807	-14,795	-15,653
	Net effect	+167†	+233†	+316	+1,475	+1,543	+1,862	+1,734	+1,809

Note 1: The BGAs shown in this and subsequent tables are calculated using the Indexed Per Capita (IPC) indexation method. This method in practice determines the BGAs applied to the Budget. The tax BGAs are shown as negative numbers because they are a deduction from the Block Grant and thus have a negative effect on the Budget position.

Note 2: 2020-21 LBTT and SLfT provisional outturn displayed excludes accounting adjustments applied by Revenue Scotland

† Indicates outturn; Figures in this and subsequent tables may not sum due to rounding

2.5 The forecasts for Income Tax revenues and BGAs for 2020-21 and 2021-22 above do not have any immediate impact on the Scottish Budget, as they do not represent outturn data that will be used as the basis for reconciliations. Outturn data for 2020-21 and 2021-22 will be available in the summer of 2022 and 2023, respectively. The forecasts for the years 2022-23 onwards provide an indication of the level of revenues that the SFC anticipates, but these figures will not be used to set the 2022-23 Budget, as that will make use of updated forecasts that the SFC will produce for the Scottish Budget 2022-23.

Taxes yet to be introduced

2.6 Some taxes devolved in the Scotland Act 2016 are yet to be implemented. These are: assigned VAT, Air Passenger Duty and the Aggregates Levy.

Assigned VAT - The Fiscal Framework agreed that VAT assignment will be implemented following agreement between the two governments on a suitable assignment methodology. Due to the current economic climate and the reliability of VAT receipt forecasting being highly uncertain due to the combined effects of COVID-19 and EU exit, in October 2020 the UK and Scottish Government agreed that how and when VAT assignment should be

implemented should be established as part of the review of the Scottish Government's Fiscal Framework, due to take place in 2022. The Scottish Government has also stated that it wants the full devolution of VAT to be considered in the review. In 2020-21, the Scottish and UK Governments worked together to progress the draft VAT assignment methodology with the aim of delivering the best model and implementation process. Work carried out throughout 2020 was reviewed and noted in December 2020 by senior officials in the Scottish and UK Governments. This will be included as part of the review of the Fiscal Framework.

Air Passenger Duty: Introduction of the Air Departure Tax (ADT) in Scotland has been deferred to allow the issues raised in relation to the Highlands and Islands exemption to be resolved. The Scottish Government is engaging with the UK Government on its consultation on Air Passenger Duty reform (which ran from March to June 2021) and will continue work to find a solution for aviation that remains consistent with our climate ambitions. As part of this, careful consideration will be given to the outcome of the UK Government's recent consultation on subsidy control.

Aggregates Levy - Outstanding state aid issues related to the UK Aggregates Levy have been resolved and the UK Government review is complete. The Scottish Government will work closely with stakeholders, consider policy options and develop the necessary evidence base to support the introduction of a devolved levy in Scotland. This will build on the research published by the Scottish Government last year.

2.7 Information relating to these taxes will be included in future Outturn Reports, following their implementation.

3. Income Tax

3.1 For Scottish Income Tax, outturn data is normally available around 16 months after the end of the financial year and a single reconciliation is applied to the following Budget, three years after the original Budget was set. For example, the reconciliation relating to Income Tax in the 2018-19 financial year was applied to the 2021-22 Budget.

3.2 Provisional outturn data for 2019-20 Income Tax was published by HMRC on 22 July 2021. Although these statistics meet the usual standard of Official Statistics, they will not be formally signed off until the National Audit Office has completed their annual audit of the HMRC Trust Statement. This is expected to be completed in October 2021, which is when the final reconciliations to the Scottish Government's Block Grant will be confirmed. The reconciliation will be applied to the 2022-23 Budget. Table 2 shows the provisional data, together with the indicative net effect on the Budget.

Table 2: Provisional Income Tax Reconciliation to 2022-23 Budget (£ million)

2019-20 Income Tax	Revenues	BGA	Net effect on Budget
Forecast as of Budget Act 2019	11,683.6	-11,501.1	+182.5
Outturn	11,832.6	-11,684.6	+148.0
Outturn against forecast	+149.0	-183.5*	-34.5

* The BGA has been revised upward - this has a negative effect on net revenues.

3.3 This translates into a provisional £34.5 million negative reconciliation requirement that will be applied to the 2022-23 Budget (see section 8 for a full breakdown of provisional reconciliations for the 2022-23 Budget).

3.4 2019-20 Income Tax was forecast to have a positive net effect on Scotland's finances at the time of setting the 2019-20 Budget, with revenues forecast to exceed the BGA by £182.5 million. The provisional outturn data indicates that revenues did exceed the BGA, but by £148.0 million. This translates into a £34.5 million negative reconciliation, in order to correct for the forecast error within the 2019-20 Budget. This is a normal part of the Fiscal Framework and the application of reconciliations to correct for forecast error should not be interpreted as a reflection of the underlying performance of the Scottish or equivalent UK tax base.

3.5 There have been no updated OBR forecasts since the UK Budget in March 2021. Due to this timing mismatch between the SFC and OBR forecasts, the latest available BGAs do not yet reflect the significant improvement in the UK economic and fiscal outlook since March 2021. The

SFC explain this issue in more detail in their publication *Scotland's Economic and Fiscal Forecasts*, published on 26 August⁵.

3.6 The outturn data for Income Tax 2020-21 should be available in summer 2022, with a reconciliation then being applied to the 2023-24 Budget. Table 3 shows the latest forecast 2020-21 Income Tax reconciliation. The SFC commented that this reconciliation is likely to be less affected by the forecasting timing mismatch because the SFC's and OBR's latest 2020-21 forecasts are based on partial outturn data. Nevertheless, uncertainty remains as "*they are driven by two sets of forecast errors*" and the BGAs for 2020-21 do not yet reflect the latest 2019-20 outturn data and are therefore likely to be revised upwards.⁶

Table 3: Forecast Income Tax Reconciliation to 2023-24 Budget (£ million)

2020-21 Income Tax	Revenues	BGA	Net effect on Budget	Forecast Reconciliation
Forecast as of Budget Act 2020	12,365.4	-12,319.3	+46.1	
Latest forecast	11,938.0	-11,762.3	+175.6	+129.6
Change	-427.4	+557.0		

3.7 Outturn data for 2021-22 will be available in summer 2023, with a reconciliation being applied to the 2024-25 Budget. Table 4 shows the latest forecast 2021-22 Income Tax reconciliation.

3.8 Due to the lack of updated OBR forecasts since the UK Budget in March 2021 and the resultant timing mismatch between the SFC and OBR forecasts, the latest available BGAs do not yet reflect the significant improvement in the UK economic and fiscal outlook since March 2021 meaning the forecast reconciliation shown in Table 4 is "*likely to be revised significantly downwards once updated OBR forecasts are available*"⁷, which the SFC explain in more detail in their publication *Scotland's Economic and Fiscal Forecasts*, published on 26 August.

Table 4: Forecast Income Tax Reconciliation to 2024-25 Budget (£ million)

2021-22 Income Tax	Revenues	BGA	Net effect on Budget	Forecast Reconciliation
Forecast as of Budget 2021-22	12,263.3	-11,788.1	+475.2	
Latest forecast	13,162.0	-11,835.7	+1,326.2	+851.0
Change	+898.7	-47.7		

⁵ [Scotland's Economic and Fiscal Forecasts – August 2021 | Scottish Fiscal Commission](#)

⁶ Paragraph 4.25 of [Scotland's Economic and Fiscal Forecasts – August 2021 | Scottish Fiscal Commission](#)

⁷ Paragraph 4.26 of [Scotland's Economic and Fiscal Forecasts – August 2021 | Scottish Fiscal Commission](#)

4. Fully Devolved Taxes

4.1 This section focuses on the operation of the two fully devolved taxes (LBTT and SLfT). It sets out forecasts and outturn for 2020-21, along with the provisional reconciliations required for the 2022-23 Budget. This report uses provisional 2020-21 outturn revenue and BGA data for the fully devolved taxes. The final revenue data will be published as part of Revenue Scotland's Annual Report and Accounts, which are expected in December 2021. HMRC outturn data, which is used to calculate the final BGAs, will also be available in due course.

4.2 Revenue Scotland manages and collects LBTT and SLfT and these revenue streams feed in to the Scottish Budget as they are collected. This means reconciliations for revenue are not necessary for these taxes. The Scottish Government manages any variance between forecast and actual revenues as part of its in-year budget management process.

4.3 However, the BGAs for these taxes do undergo reconciliations and are reconciled in two stages. The first stage is an in-year reconciliation, which normally takes place within the same financial year, on the basis of updated OBR forecasts produced for the UK autumn fiscal event. Outturn data becomes available in the autumn following the end of each financial year. Using these outturn figures, a final reconciliation is applied to the Block Grant in the financial year two years after the original BGA was applied.

LBTT

4.4 Table 5 shows the provisional net effect on Budget for LBTT for 2020-21, and compares outturn to forecasts in a period when the Covid pandemic had a significant effect on the Scottish property market.

Table 5: 2020-21 LBTT Provisional Outturn Compared with Forecasts (£ million)

	Revenues	BGA	Net effect on Budget
Forecast as of Budget Act 2020	641.5	-556.5	+84.9
Provisional Outturn*	517.4	-396.6	+120.7
Provisional Outturn against forecast	-124.1	+159.9	+35.8

*2020-21 LBTT Provisional revenue outturn displayed excludes accounting adjustments applied by Revenue Scotland

4.5 Table 5 shows that the difference between the BGA used to underpin the Scottish Budget 2020-21 and the provisional outturn BGA is £159.9 million, which equates to the net of the in-year reconciliation and the final reconciliation. As shown in Table 6, £166.0 million was added as an in-year reconciliation in 2020-21 and a further provisional final reconciliation of negative £6.1 million is required.

Table 6: LBTT 2020-21 Provisional BGA Reconciliation (£ million)

Forecast BGA - Scottish Budget 2020*	-556.5	
Forecast BGA - OBR November 2020 Forecasts**	-390.5	
In-year reconciliation applied to 2020-21 Block Grant		+166.0
Provisional Outturn BGA	-396.6	
Provisional Reconciliation applying to 2022-23 Block Grant		-6.1

* BGAs set at Scottish Budget 2020 rather than UK Budget due to the later than anticipated UK Budget

**BGAs set alongside the UK Government Spending Review in November 2020 due to late UK Budget

4.6 Table 7 compares the forecasts used to set the 2021-22 Budget with the latest forecasts of revenue and BGA for 2021-22 LBTT. There have been no updated OBR forecasts since the UK Budget in March 2021 and the latest forecast net effect on Budget should therefore be interpreted with caution.

4.7 As noted in paragraph 1.5, the Scottish Budget used provisional BGAs as it took place in January, before the UK Budget in March. Therefore, the change in the forecasts for the BGA reflect the difference between the provisional BGA used in the Budget Act 2021 and the forecast of the BGA provided at the UK Budget in March 2021. The actual in-year reconciliation will be based on updated BGAs forecasts provided alongside the next set of OBR forecasts in October 2021.

Table 7: Forecast Comparison of 2021-22 LBTT (£ million)

	Revenues	BGA	Net effect on Budget
Forecast as of Budget Act 2021	586.0	-515.1	+70.9
Latest Forecast	652.9	-522.1	+130.8
Change	+66.9	-7.0	+59.9

SLfT

4.8 Table 8 shows the provisional net effect on the Scottish Budget for SLfT for 2020-21, and compares outturn to forecasts.

Table 8: 2020-21 SLfT Provisional Outturn Compared with Forecasts (£ million)

	Revenues	BGA	Net effect on Budget
Forecast as of Budget Act 2020	115.9	-87.3	+28.5
Provisional Outturn	106.2	-86.9	+19.4
Provisional Outturn against forecast	-9.6	+0.5	-9.1

*2020-21 SLfT Provisional revenue outturn displayed excludes accounting adjustments applied by Revenue Scotland

4.9 Table 8 shows that the difference between the BGA used to underpin the Scottish Budget 2020-21 and the provisional outturn BGA is £0.5 million, which equates to the net of the in-year reconciliation and the final reconciliation. As shown in Table 9, £0.4 million was added as an in-year reconciliation in 2020-21 and a further provisional final reconciliation of positive £0.1 million is required.

Table 9: SLfT 2020-21 Provisional BGA Reconciliation (£ million)

Forecast BGA - Scottish Budget 2020*	-87.3	
Forecast BGA - OBR November 2020 Forecasts**	-86.9	
In-year reconciliation applied to 2020-21 Block Grant		+0.4
Provisional Outturn BGA	-86.9	
Provisional Reconciliation applying to 2022-23 Block Grant		+0.1

* BGAs set at Scottish Budget 2020 rather than UK Budget due to later than anticipated UK Budget
 **BGAs set alongside the UK Government Spending Review in November 2020 due to late UK Budget

4.10 Table 10 compares the forecasts used to set the 2021-22 Budget with the latest forecasts of revenue and BGA for 2021-22 SLfT. There have been no updated OBR forecasts since the UK Budget in March 2021 and therefore the latest forecast net effect on Budget should be interpreted with caution.

4.11 As noted in paragraph 1.5, the Scottish Budget used provisional BGAs as it took place in January, before the UK Budget in March. Therefore, the change in the forecasts for the BGA reflect the difference between the provisional BGA used in the Budget Act 2021, and the forecast of the BGA provided at the UK Budget in March 2021. The actual in-year reconciliation will be based on updated BGAs forecasts provided alongside the next set of OBR forecasts in October 2021.

Table 10: Forecast Comparison of 2021-22 SLfT (£ million)

	Revenues	BGA	Net effect on Budget
Forecast as of Budget Act 2021	88.1	-95.0	-7.0
Latest Forecast	112.9	-94.6	+18.3
Change	+24.9	+0.4	+25.3

5. Fines, Forfeitures, and Fixed Penalties

5.1 This section contains the latest outturn, forecasts and reconciliations available for Fines, Forfeitures, and Fixed Penalties (FFFPs).

5.2 As with the fully devolved taxes and income tax, there is a corresponding deduction to Scotland's Block Grant by way of a BGA. This is initially calculated based on forecast growth of equivalent UK Government revenues retained by the Ministry of Justice.

5.3 Revenue from FFFPs is paid into the Scottish Consolidated Fund after being collected by the Scottish Courts and Tribunals Service. No revenue reconciliation takes place, as the Scottish Government deals with variations between forecast and receipts through in-year budget management.

5.4 Unlike the fully devolved taxes, there is only one reconciliation to the BGA. Outturn data is normally available three months after the end of the financial year to which the original BGA relates, and the reconciliation is applied to the Block Grant for the financial year thereafter (i.e. two years after the Budget year).

5.5 This report uses provisional 2020-21 Scottish revenue outturn data. The final revenue data will be published as part of Scottish Government's Consolidated Accounts. The UK Government revenues used to calculate the BGA for FFFPs are published in the HM Courts & Tribunals Service Trust Statement.

5.6 Table 11 shows the net effect on the Budget for 2020-21 FFFP revenue, comparing outturn data with forecasts for the same. It also shows that the final BGA reconciliation required, applying to the 2022-23 Scottish Budget is positive £4.1m.

Table 11: 2020-21 FFFP Outturn Compared with Forecasts
(£ million)

	Revenues	BGA	Net effect on Budget
Forecast as of Budget Act 2020	25.0	-23.7	+1.3
Outturn	14.3	-19.6	-5.3
Outturn against forecast	-10.7	+4.1	-6.6

5.7 Table 12 compares forecasts of the net effect on the Budget for FFFP in 2021-22. When outturn data for the BGA becomes available in the next financial year, a reconciliation will be applied to the 2023-24 Budget, meaning that these figures are indicative only.

Table 12: Forecast FFFP Budget Position for 2021-22 (£ million)

	Revenues	BGA	Net effect on Budget
Forecast as of Budget Act 2021	25.0	-27.8	-2.8
Latest Forecast	19.1	-27.8	-8.7
Change	-5.9	0.0	-5.9

6. Proceeds of Crime

6.1 Revenue seized under the Proceeds of Crime Act 2002 is subject to a BGA. The basis on which this is carried out is the subject of dispute between the Scottish and UK Governments and the BGA remains at negative £4 million while the dispute remains unresolved.⁸ The Scottish and UK Governments agreed to consider this issue as part of the review of the Fiscal Framework.

6.2 Provisional outturn revenue recovered under the Proceeds of Crime Act in 2020-21 is £5.2 million. Proceeds of Crime outturn revenues are hypothecated for spend on community projects.⁹ Due to this hypothecation of funds and the negative £4 million BGA, the net position for the Scottish Budget is negative £4 million while this BGA remains in force.

6.3 No reconciliation takes place while the BGA remains the subject of dispute between the Scottish and UK Governments.

⁸ Further background on this dispute is included in Scotland Act Report 2021 - [Scotland Act 2012 and 2016: annual implementation report 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/scotland-act-report-2021/pages/100_to_109.aspx)

⁹ Further information can be found at <https://cashbackforcommunities.org>

7. Social Security

7.1 This section contains the latest outturn and forecasts available on expenditure and BGAs for Social Security benefits from 2018-19 onwards, and the net effect on the Scottish Budget. This report uses provisional 2020-21 outturn expenditure data for Scottish Social Security expenditure. The final Scottish expenditure data will be published as part of Social Security Scotland's Annual Reports and Accounts later in the year. The Block Grant Adjustments are based on provisional UK Government Social Security expenditure; final outturn data will be confirmed when the UK Government publishes its Local Authority, Parliamentary, and Country and Regional Tables 2020/21 later this year.

7.2 For social security payments, forecasts are of spending rather than revenues and Block Grant Adjustments are therefore additions rather than deductions. Otherwise, the process of reconciling forecasts to outturn data functions in the same way as for the fully devolved taxes.

7.3 Executive competence for Attendance Allowance, Disability Living Allowance, Industrial Injuries Disablement Scheme, Personal Independent Payment and Severe Disablement Allowance transferred to Social Security Scotland on 1 April 2020 and therefore outturn BGAs for these benefits have been calculated for the first time and this is the first year they will undergo a BGA reconciliation.

7.4 Table 13 shows the SFC's latest expenditure forecasts for the Social Security benefits that have been devolved so far, as published in the SFC's *Scotland's Economic and Fiscal Forecasts* on 26 August 2021¹⁰, and the Block Grant Adjustment estimates provided at the UK Budget in March 2021. Due to the timing differences between the forecasts noted in paragraphs 1.3 and 1.4, comparisons of the latest available forecasts and BGAs and the resultant net effect should be interpreted with caution.

¹⁰ [Scotland's Economic and Fiscal Forecasts - August 2021 | Scottish Fiscal Commission](#)

Table 13: Latest Social Security Expenditure and Block Grant Adjustments data (£ million)

		Outturn			SFC Forecast				
		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Carer's Allowance	Expenditure	-152†	-279†	-296†	-301	-322	-359	-387	-411
	BGA	157†	283†	291†	307	331	353	375	409
	Net effect on Budget	6†	4†	-5†	6	10	-6	-11	-2
Attendance Allowance	Expenditure	N/A	N/A	-528†	-520	-559	-585	-603	-625
	BGA	N/A	N/A	521†	526	544	569	594	625
	Net effect on Budget	N/A	N/A	-6†	6	-15	-16	-9	0
Personal Independence Payment	Expenditure ¹	N/A	N/A	-1,626†	-1,741	-1,958	-2,313	-2,541	-2,752
	BGA	N/A	N/A	1,585†	1,717	1,900	2,062	2,219	2,427
	Net effect on Budget	N/A	N/A	-41†	-24	-59	-252	-323	-325
Disability Living Allowance	Expenditure ²	N/A	N/A	-722†	-699	-703	-707	-692	-676
	BGA	N/A	N/A	721†	688	678	667	633	592
	Net effect on Budget	N/A	N/A	-1†	-11	-25	-41	-60	-84
Industrial Injuries Disablement Scheme	Expenditure	N/A	N/A	-83†	-80	-80	-80	-79	-78
	BGA ³	N/A	N/A	81†	80	78	77	76	74
	Net effect on Budget	N/A	N/A	-1†	0	-1	-2	-3	-4
Severe Disablement Allowance	Expenditure	N/A	N/A	-7†	-7	-6	-6	-5	-5
	BGA	N/A	N/A	8†	7	6	5	5	4
	Net effect on Budget	N/A	N/A	0†	0	0	0	-1	-1
TOTAL SOCIAL SECURITY	Expenditure	-152†	-279†	-3,262†	-3,348	-3,628	-4,050	-4,307	-4,545
	BGA	157†	283†	3,207†	3,325	3,537	3,733	3,901	4,130
	Net effect on Budget	6†	4†	-55†	-23	-91	-316	-406	-415

Note 1: SFC Forecasts for Personal Independence Payment Expenditure from 2022-23 to 2025-26 includes forecast expenditure for the Scottish replacement benefit, Adult Disability Payment

Note 2: SFC Forecasts for Disability Living Allowance Expenditure from 2021-22 to 2025-26 includes forecast expenditure for the Scottish replacement benefit, Child Disability Payment

Note 3: BGAs for Industrial Injuries Disablement Scheme includes Industrial Death Benefit

Note 4: There are minor differences in the methodology used to calculate the SFC's spending forecasts and the BGA forecasts, which are based on expenditure outturn and OBR forecasts, so comparisons should be interpreted with caution.

† Indicates outturn; BGAs are shown as positive as they represent additional funding

7.5 There are no reconciliations required for Scottish Social Security expenditure, as the Scottish Government manages any variance between forecast and actual expenditure in year.

7.6 However, as with the fully devolved taxes, the BGAs for benefits do undergo reconciliations and are reconciled in two stages. An in-year reconciliation is made within the financial year at the UK autumn fiscal event on the basis of the most recent OBR forecasts, and, once outturn data is available in the following financial year, a final reconciliation is applied to the Block Grant for the financial year thereafter (i.e two years after the Budget year).

7.7 Table 14 shows the provisional net Budget position for Social Security expenditure for 2020-21.

Table 14: 2020-21 Provisional Outturn Compared with Forecasts
(£ million)

		Expenditure	BGA	Net Position
Carer's Allowance	Forecast as of Budget Act 2020	-291.6	303.3	+11.6
	Outturn	-296.2	290.8	-5.4
	Outturn against forecast	-4.5	-12.5	-17.0
Attendance Allowance	Forecast as of Budget Act 2020	-532.2	535.3	+3.1
	Outturn	-527.6	521.4	-6.3
	Outturn against forecast	+4.6	-13.9	-9.3
Personal Independence Payment	Forecast as of Budget Act 2020	-1,582.9	1,601.4	+18.5
	Outturn	-1,626.2	1,585.1	-41.2
	Outturn against forecast	-43.3	-16.3	-59.7
Disability Living Allowance ¹	Forecast as of Budget Act 2020	-718.5	669.0	-49.4
	Outturn	-722.4	720.9	-1.5
	Outturn against forecast	-3.9	+51.9	+48.0
Industrial Injuries Disablement Scheme ²	Forecast as of Budget Act 2020	-80.2	84.7	+4.5
	Outturn	-82.5	81.2	-1.3
	Outturn against forecast	-2.3	-3.5	-5.8
Severe Disablement Allowance	Forecast as of Budget Act 2020	-7.5	8.7	+1.3
	Outturn	-7.4	7.6	+0.2
	Outturn against forecast	+0.0	-1.1	-1.1
TOTAL SOCIAL SECURITY	Forecast as of Budget Act 2020	-3,212.9	+3,202.5	-10.4
	Outturn	-3,262.3	+3,207.0	-55.4
	Outturn against forecast	-49.4	+4.4	-45.0

Note 1: Outturn and SFC Forecasts for Disability Living Allowance Expenditure includes forecast expenditure for Child Winter Heating Assistance

Note 2: BGAs for Industrial Injuries Disablement Scheme includes Industrial Death Benefit

Note 3: There are minor differences in the methodology used to calculate the SFC's spending forecasts and the BGA forecasts, which are based on expenditure outturn and OBR forecasts, so comparisons should be interpreted with caution.

Figures may not sum due to rounding.

7.8 Table 14 shows that the difference between the BGAs used to underpin the Scottish Budget 2020-21 and the provisional outturn BGAs for total Social Security expenditure is £4.4 million, which equates to the net of the in-year reconciliations and the final reconciliations. As shown in Table 15, £17.2 million was deducted from the Scottish Budget as an in-year reconciliation in 2020-21. A provisional final reconciliation of positive £21.6 million is required, to be applied in 2022-23.

Table 15: Social Security 2020-21 expenditure BGA Reconciliation (£ million)

	BGA	Reconciliation
Carer's Allowance	Forecast BGA - Scottish Budget 2020*	303.3
	Forecast BGA - OBR November 2020 Forecasts**	289.4
	In-year reconciliation applied to 2020-21 Block Grant	-13.9
	Outturn BGA	290.8
	Reconciliation applying to 2022-23 Block Grant	+1.4
Attendance Allowance	Forecast BGA - Scottish Budget 2020*	535.3
	Forecast BGA - OBR November 2020 Forecasts**	530.6
	In-year reconciliation applied to 2020-21 Block Grant	-4.7
	Outturn BGA	521.4
	Reconciliation applying to 2022-23 Block Grant	-9.2
Personal Independence Payment	Forecast BGA - Scottish Budget 2020*	1,601.4
	Forecast BGA - OBR November 2020 Forecasts**	1,555.3
	In-year reconciliation applied to 2020-21 Block Grant	-46.1
	Outturn BGA	1,585.1
	Reconciliation applying to 2022-23 Block Grant	+29.8
Disability Living Allowance	Forecast BGA - Scottish Budget 2020*	669.0
	Forecast BGA - OBR November 2020 Forecasts**	718.7
	In-year reconciliation applied to 2020-21 Block Grant	+49.7
	Outturn BGA	720.9
	Reconciliation applying to 2022-23 Block Grant	+2.2
Industrial Injuries Disablement Scheme ¹	Forecast BGA - Scottish Budget 2020*	84.7
	Forecast BGA - OBR November 2020 Forecasts**	83.6
	In-year reconciliation applied to 2020-21 Block Grant	-1.2
	Outturn BGA	81.2
	Reconciliation applying to 2022-23 Block Grant	-2.3
Severe Disablement Allowance	Forecast BGA - Scottish Budget 2020*	8.7
	Forecast BGA - OBR November 2020 Forecasts**	7.8
	In-year reconciliation applied to 2020-21 Block Grant	-1.0
	Outturn BGA	7.6
	Reconciliation applying to 2022-23 Block Grant	-0.1

TOTAL SOCIAL SECURITY	Forecast BGA - Scottish Budget 2020*	3,202.5	
	Forecast BGA - OBR November 2020 Forecasts**	3,185.3	
	In-year reconciliation applied to 2020-21 Block Grant		-17.2
	Outturn BGA	3,207.0	
	Reconciliation applying to 2022-23 Block Grant		+21.6

* BGAs set at Scottish Budget 2020 rather than UK Budget due to later than anticipated UK Budget

**BGAs set alongside the UK Government Spending Review in November 2020 due to late UK Budget

Note 1: BGAs for Industrial Injuries Disablement Scheme includes Industrial Death Benefit
Figures may not sum due to rounding.

7.9 The latest forecasts of the net effect on the 2021-22 Budget for Social Security benefits are shown in Table 16 below. These figures are indicative only. There have been no updated OBR forecasts since the UK Budget in March 2021.

7.10 As noted in paragraph 1.5, the Scottish Budget used provisional BGAs as it took place in January, before the UK Budget in March. Therefore, the change in the forecasts for the BGA reflect the difference between the provisional BGA used in the Budget Act 2021 and the forecast of the BGA provided at the UK Budget in March 2021. The actual in-year reconciliation will be based on updated BGA forecasts provided alongside the next set of OBR forecasts in October 2021.

Table 16: Forecast Social Security Net Budget Position for 2021-22
(£ million)

		Expenditure	BGA	Net Position
Carer's Allowance	Forecast as of Budget Act 2021	-306.0	308.7	2.7
	Latest Forecast	-301.1	306.6	5.6
	Change	4.9	-2.0	2.9
Attendance Allowance	Forecast as of Budget Act 2021	-549.8	546.4	-3.4
	Latest Forecast	-520.1	526.1	+6.0
	Change	+30	-20	+9.3
Personal Independence Payment	Forecast as of Budget Act 2021	-1,669.4	1,681.6	+12.3
	Latest Forecast	-1,740.9	1,717.3	-23.6
	Change	-71	+36	-35.8
Disability Living Allowance ¹	Forecast as of Budget Act 2021	-695.9	684.7	-11.2
	Latest Forecast	-698.8	688.1	-10.7
	Change	-3	+3	+0.6
Industrial Injuries Disablement Scheme ²	Forecast as of Budget Act 2021	-80.2	80.8	+0.6
	Latest Forecast	-80.0	79.8	-0.2
	Change	+0	-1	-0.8

Severe Disablement Allowance	Forecast as of Budget Act 2021	-6.8	7.3	+0.5
	Latest Forecast	-6.8	6.8	+0.0
	Change	+0	-1	-0.5
Total Social Security Benefits	Forecast as of Budget Act 2021	-3,308.1	3,309.5	+1.4
	Latest Forecast	-3,347.6	3,324.7	-22.9
	Change	-39.5	+15.2	-24.3

Note 1: SFC Forecasts for Disability Living Allowance Expenditure includes forecast expenditure for the Scottish replacement benefit, Child Disability Payment

Note 2: BGAs for Industrial Injuries Disablement Scheme includes Industrial Death Benefit

Note 3: There are minor differences in the methodology used to calculate the SFC's spending forecasts and the BGA forecasts, which are based on expenditure outturn and OBR forecasts, so comparisons should be interpreted with caution.

Figures may not sum due to rounding.

Benefits Yet to Commence

7.11 Responsibility for Cold Weather Payments and Winter Fuel Payments has yet to be transferred to the Scottish Government and therefore these payments are not funded from within the Scottish Budget. The Department for Work and Pensions will continue to make these payments to people in Scotland for winter 2021-22. An update will be provided in due course.

8. Overall Reconciliation Requirement for the 2022-23 Budget

8.1 Table 17 below gives the total provisional reconciliation requirement for the 2022-23 Budget. It shows the net impact of the reconciliation for Income Tax from 2019-20, and for the BGA reconciliations for the fully devolved taxes, Fines, Forfeitures and Fixed Penalties, and Social Security expenditure for 2020-21.

Income Tax 2019-20	Provisional Outturn	-34.5
Of which:		
Final revenue reconciliation	Provisional Outturn	+149.0
Final BGA reconciliation	Provisional Outturn	-183.5
LBTT 2020-21 provisional BGA reconciliation	Provisional Outturn	-6.1
SLfT 2020-21 provisional BGA reconciliation	Provisional Outturn	+0.1
FFFP 2020-21 BGA reconciliation	Outturn	+4.1
PoC 2020-21 final BGA reconciliation	Outturn	N/A
Social Security 2020-21 provisional BGA reconciliation	Provisional Outturn	+21.6
Total Provisional Reconciliation Requirement		-14.8

Note: Figures may not sum due to rounding.
For more detail on the individual entries see tables in sections 3, 4, 5, 6 and 7.

9. Borrowing

Capital Borrowing

9.1 Table 18 shows the Scottish Government's capital borrowing plans.

	2017- 18	2018- 19	2019- 20	2020- 21	2021- 22	2022- 23	2023- 24	2024- 25
Debt Stock at start of year	607	1,036	1,258	1,617	1,744	2,114	2,470	2,356
Debt stock as percentage of debt cap	20%	35%	42%	54%	58%	70%	82%	79%
Borrowing	450	250	405	200	450	450	-	-
Repayment on 2015-16 borrowing								
Capital	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4
Interest	0	0	0	0	0	0	0	0
Repayment on 2016-17 borrowing								
Capital	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1
Interest	0	0	0	0	0	0	0	0
Repayment on 2017-18 borrowing								
Capital		7.1	14.3	14.6	14.9	15.2	15.5	15.8
Interest		7.7	8.3	8.1	7.8	7.5	7.2	6.9
Repayment on 2018-19 borrowing								
Capital			11.9	24.1	24.3	24.5	24.8	25.0
Interest			2.1	2.2	2.0	1.7	1.5	1.3
Repayment on 2019-20 borrowing								
Capital				13.3	17.2	17.3	17.4	17.5
Interest			0.4	2.2	2.3	2.2	2.1	2.0
Repayment on 2020-21 borrowing								
Capital					3.5	7.0	7.1	7.1
Interest					2.1	2.3	2.2	2.1
Repayment on 2021-22 borrowing								
Capital						9.5**	19.3**	19.6**
Interest						6.6**	7.3**	7.0**
Repayment on 2022-23 borrowing								
Capital							9.4**	19.0**
Interest							7.2**	7.9**
Total Repayments of Principal	21	28	47	72	80	94	114	125
Debt stock at end of year	1,036	1,258	1,617	1,744	2,114	2,470	2,356	2,231
Debt stock as percentage of debt cap	35%	42%	54%	58%	70%	82%	79%	74%
Repayment period for borrowing (years)	25	10	22.5*	25	20**	20**	0	0
Interest rate	1.9	0.97	0.6*	1.17*	1.67**	1.82**	0	0
Is interest rate fixed or variable?	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	0	0

*2019-20 and 2020-21 borrowing took place in a number of tranches - these are weighted average figures

**2021-22 and 2022-23 figures are indicative. Final decisions on specific borrowing arrangements will be taken later in the financial year

9.2 The Scottish Government borrowed £200 million in 2020-21 to support capital expenditure. This is less than the £450 million originally planned. The borrowing was drawn down from the National Loans Fund in two tranches. £150 million will be repaid over a 25 year period, at an interest rate of 1.14% percent, and £50 million will be repaid over a 25 year period at a rate of 1.25%

9.3 The Scottish Government has announced plans to borrow the annual maximum of £450 million in 2021-22. Final decisions on the specific borrowing arrangements for 2021-22 will be taken over the course of the year.

9.4 Chapter 5 of *Scotland's Fiscal Outlook: The Scottish Government's Medium-Term Financial Strategy* from January 2021 sets out the principles and policies that guide the use of the Scottish Government's fiscal powers.¹¹ In relation to capital borrowing, it is the Scottish Government's policy to borrow between £250 million and £450 million over the remaining period of the National Infrastructure Mission. Final decisions are always taken within the relevant budget year, depending on circumstances.

9.5 On the basis of existing and planned borrowing included in Table 20, the Scottish Government will have accumulated £2.5 billion in capital debt by the end of 2022-23, 82 per cent of its overall limit.

9.6 The affordability and sustainability of all Scottish Government long-term revenue commitments, including repayment of debt stock, are assessed through the Budget process and are kept within a maximum of five per cent of the total annual resource budget available (excluding Social Security spend). The commitments included in the five per cent calculation are the Scottish Government's share of the ongoing costs of: previous Public Private Partnership (PPP) contracts that are now operational; Non-Profit Distributing (NPD) and Hub programmes; growth accelerator; and cost of borrowing. This self-imposed limit ensures that we do not overly constrain our budget choices in future years.

9.7 In its report, "*Scotland's Economic and Fiscal Forecasts*", published August 2021, the Scottish Fiscal Commission judged the Government's projections of capital borrowing as reasonable.¹²

¹¹ [Scotland's Fiscal Outlook: The Scottish Government's Medium-Term Financial Strategy - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fiscal-outlook-2021-22/pages/5-1-introduction-to-the-strategy.aspx)

¹² Paragraph 2.36 in [Scotland's Economic and Fiscal Forecasts - August 2021 | Scottish Fiscal Commission](https://www.fiscalcommission.gov.scot/publications/scotland-economic-and-fiscal-forecasts-august-2021/)

Resource Borrowing

9.8 The Scottish Government must balance its Budget each year, and has very limited powers in relation to resource borrowing. The overall limit of resource borrowing is £1.75 billion and the total annual limit is £600 million. Resource borrowing can be used for in-year cash management (maximum £500 million annually) and in cases of forecast error (maximum £300 million annually, increasing to £600 million in case of a Scotland-specific 'economic shock'). Further details on the circumstances in which the Scottish Government can invoke its resource borrowing powers are set out in the Fiscal Framework Technical Note.¹³

9.9 In 2020-21 the Scottish Government borrowed £207 million in respect of final reconciliations relating to 2017-18 Scottish Income Tax and 2018-19 fully devolved taxes and social security. This was in line with plans as outlined in the 2020-21 Scottish Budget.

9.10 This year, due to the triggering of the 'Scotland-specific economic shock' provision of the Fiscal Framework, largely as a result of timing differences between the respective SFC and OBR forecasts, the annual borrowing limit is raised to £600 million. Although the conditions for an economic shock are met, it is not possible for the Scottish Government to apply resource borrowing to provide an economic stimulus – only to meet forecast error in relation to receipts or demand-led social security spending.

9.11 A negative £319 million reconciliation was applied to the Scottish Budget 2021-22 relating to 2018-19 Scottish Income Tax, 2019-20 fully devolved taxes, FFFP and social security. The Scottish Government plans to use its resource borrowing powers in 2021-22 to borrow £319 million to fully offset the impact of the negative reconciliation. This borrowing has not yet been drawn down as borrowing drawdowns are subject to the in-year financial position. This borrowing will be repaid over the next five years. For future years, the Scottish Government will make a decision on whether and how to use resource borrowing based on the overall Budget situation.

9.12 Chapter 5 of *Scotland's Fiscal Outlook: The Scottish Government's Medium-Term Financial Strategy* from January 2021 sets out the principles and policies that guide the use of the Scottish Government's fiscal powers and in particular how resource borrowing will be used in a way that balances the principles of Flexibility, Stability, and Value for Money. As detailed in the Medium-Term Financial Strategy, planning to borrow in full against known and forecast income tax reconciliations is the most fiscally prudent way to manage medium-term volatility in the funding position.

¹³ [Fiscal framework: factsheet - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions-and-statements/fiscal-framework-factsheet)

10. Scotland Reserve

10.1 The opening balance in the Scotland Reserve at the start of 2020-21 was £432 million. The closing balance on the Reserve for 2020-21 is £631 million, as reported to Parliament at Provisional Outturn in June 2021.

10.2 The expected drawdown from the Scotland Reserve 2021-22 is £599 million.

10.3 On the basis of planned drawdowns, the residual balance of the Scotland Reserve is £32 million. An update on the reserve position, including the changes from the confirmation of final outturn against the 2020-21 Budget, will be provided with the 2021-22 Spring Budget Revision.

10.4 Table 19 shows the 2020-21 Reserve position as reported to Parliament at Provisional Outturn in June 2021.

Table 19: Scotland Reserve Forecast as at 2020-21 Provisional Outturn (£million)

	Resource	Capital	Financial Transaction	Total
2020-21 Opening Balance	217.4	79.6	135.5	432.5
2020-21 Planned Drawdowns	170.6	79.6		250.2
2020-21 Additions to reserve	374.1	7.7	67.0	448.8
2020-21 Closing Balance (Provisional)	420.9	7.7	202.5	631.1
2021-22 Planned Drawdowns	399.0		200.0	599.0
2021-22 Closing Balance (Provisional)	21.9	7.7	2.5	32.1

10.5 Chapter 5 of *Scotland's Fiscal Outlook: The Scottish Government's Medium-Term Financial Strategy* from January 2021 sets out the principles and policies that guide the use of the Scottish Government's fiscal powers, including the use of the Scotland Reserve.

11. Sources of data and publication timetable

11.1 This section provides information on the various sources of data that have been used in compiling this report, together with the dates of publication.

11.2 A complete list is given below in Table 20.

<i>Data</i>	<i>Source</i>	<i>Date of Publication</i>
Income Tax Revenue Outturn	Scottish Income Tax Outturn Statistics (Provisional)	22 July 2021
	Final outturn will be confirmed in the HMRC Trust Statement	TBC
Income Tax BGAs	UK Spring Budget	3 March 2021
LBTT/SLfT Revenue Outturn	Provisional Outturn Data	24 June 2021
	Final figures will be published in Revenue Scotland's Annual Reports & Accounts, 2020-21	TBC
UK Stamp Duty and Landfill Tax Outturn	HMRC Tax receipts and National Insurance contributions for the UK (Provisional)	24 August 2021
	Final outturn will be confirmed in the HMRC Trust Statement	TBC
LBTT/SLfT BGAs	UK Spring Budget	3 March 2021
FFFP Revenue Outturn	Scottish Government unpublished data	
UK Fines Outturn	HM Courts & Tribunals Service Trust Statement 2020-21	21 September 2021
FFFP BGA	UK Spring Budget	3 March 2021
Social Security Expenditure Outturn	Final figures will be published in Social Security Scotland Annual Accounts	TBC
DWP Social Security Expenditure Outturn	Provisional outturn provided by DWP to calculate provisional outturn BGAs (unpublished)	
	DWP Benefit expenditure by country and region	TBC
Social Security BGAs	UK Spring Budget	3 March 2021
Scottish Fiscal Commission forecasts	Scottish Fiscal Commission Scotland's Economic and Fiscal Forecasts	26 August 2021
	Scottish Budget 2021 to 2022	28 January 2021
	Scotland's Fiscal Outlook: The Scottish Government's Medium-Term Financial Strategy	28 January 2021

11.3 If you have comments on this document, please contact Rebecca.McEwan@gov.scot



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