



PRESS RELEASE – Issued 31st March 2017

Independent forecasts to underpin Scotland’s Budget in future

Scotland’s official economic and fiscal forecasts will be produced by an independent body following the launch tomorrow (1 April) of the Scottish Fiscal Commission (SFC) as a non-Ministerial department.

The Commission is chaired by Lady Susan Rice CBE. Lady Rice said: “This is an important milestone in the Scottish Budget process. We now take up our role in supporting the rigour of Scotland’s budgetary responsibility by providing central forecasts of tax receipts, social security payments and Scottish GDP. The Government will use these to shape its budget, and our Parliament will use these to scrutinise that budget effectively.

“We are committed to being transparent and accessible and intend to share our forecasts and the methodologies behind them once we produce them.”

The SFC will publish its first forecast to inform the 2018-19 Draft Budget and – depending on the outcome of the current budget process review – will publish two principal forecasts each year for the Scottish Draft Budget and Budget Bill, together with a subsequent evaluation of its forecasts.

Ends

Notes to Editor

1. The SFC was set up in 2014 to scrutinise the Scottish Government’s forecasts after a number of taxes were devolved from the UK to the Scottish Parliament. From 1 April 2017 the SFC will begin producing its own independent forecasts of taxes and social security payments now under Scotland’s control, together with Scotland’s on-shore GDP.
2. The number of devolved taxes has increased since 2014 when responsibility for those levied on Land and Buildings Transactions and landfill waste disposal passed from the UK Parliament to the Scottish Parliament, adding to its responsibility for non-domestic rates. Now the Scottish Government also controls receipts from its residents’ Income Tax (apart from savings or dividend income) with Air Departure Tax and Aggregates Levy scheduled to come under its control. As well as forecasting the income from these taxes the Scottish Fiscal Commission will be calculating Scotland’s onshore GDP and devolved Social Security expenditure.
3. The Commission consists of members, also known as Commissioners, who are appointed by Parliament. The staff comprises a team of around 20 civil servants

devoted to macro and fiscal analysis and forecasting, as well as calculating specific tax receipts and undertaking corporate functions.

4. The SFC is tasked to provide forecasts only in regard to Scottish Government policies. It is not mandated to speculate on alternative policies.

5. From 1 April 2017 Scottish Fiscal Commissioners include:

[Lady Susan Rice CBE](#) – chair,

[David Wilson](#)

[Professor Alasdair Smith](#)

5. Full details of SFC's remit and areas of responsibility can be found [on our website](#)

6. The Scottish Fiscal Commission is based at Governor's House; Regent Road; Edinburgh EH1 3DE

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