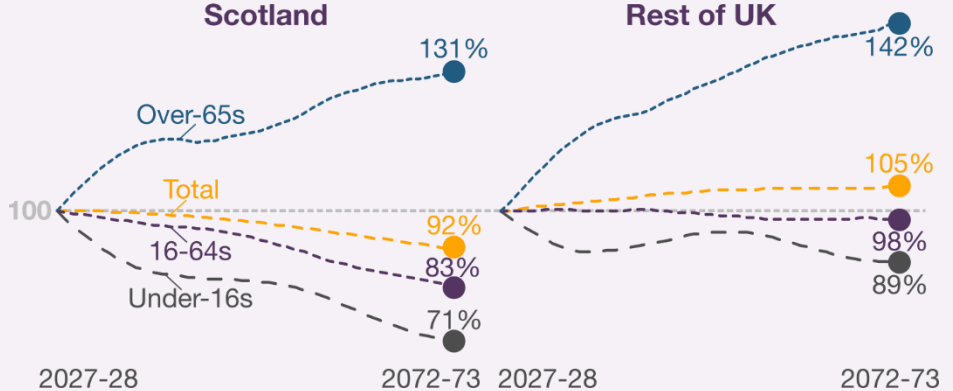


Population

The population in Scotland and the rest of the UK will age over time, with fewer children and more over-65s.

The total Scottish population is projected to fall by 8 per cent by 2072-73, whilst the rest of the UK total will grow by 5 per cent.

Scotland and rest of UK population (2027-28 levels)

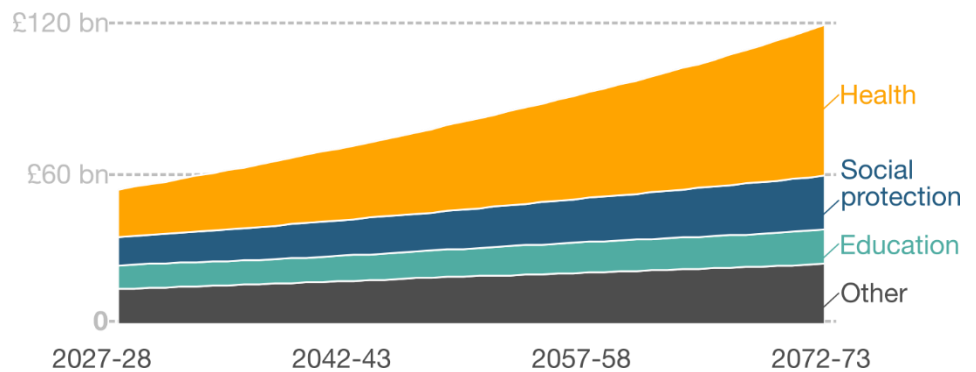


Spending

Health increases from 35 per cent of devolved spending in 2027-28 to 50 per cent in 2072-73.

Other areas of spending, such as education, grow more slowly.

Projected devolved Scottish spending (2022-23 prices)

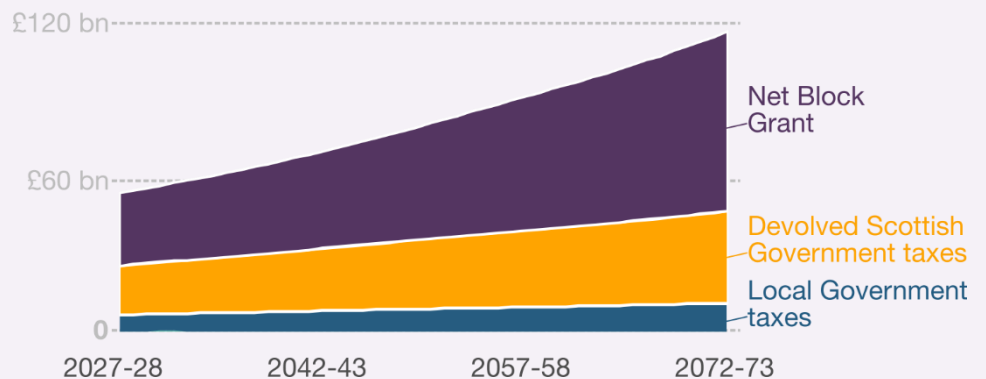


Funding

The Block Grant from the UK Government is the largest part of Scottish Government funding throughout the projections.

The main factor in the growth of the Block Grant is additional UK Government spending on health in England.

Projected devolved Scottish funding (2022-23 prices)



Annual Budget Gap

We estimate the Scottish Government will have an average budget gap of 1.7 per cent over the next 50 years based on current tax and spending plans.

If the UK Government responds to UK fiscal pressures, as the OBR suggests, we estimate an average gap of 10.1 per cent.

Annual Budget Gap with effect of UK response

