



We have published Scotland's Economic and Fiscal Forecasts

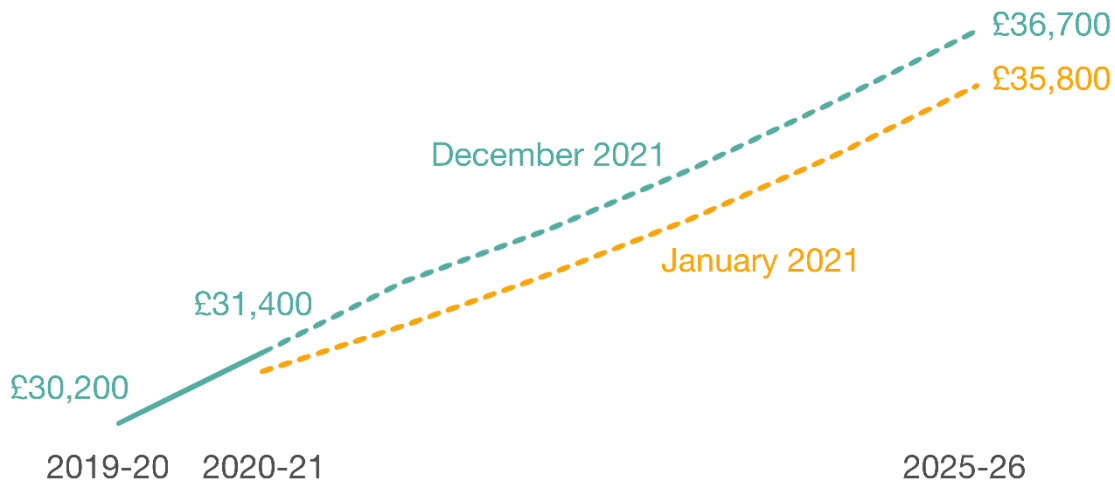


 @scotfisccomm
 www.fiscalcommission.scot

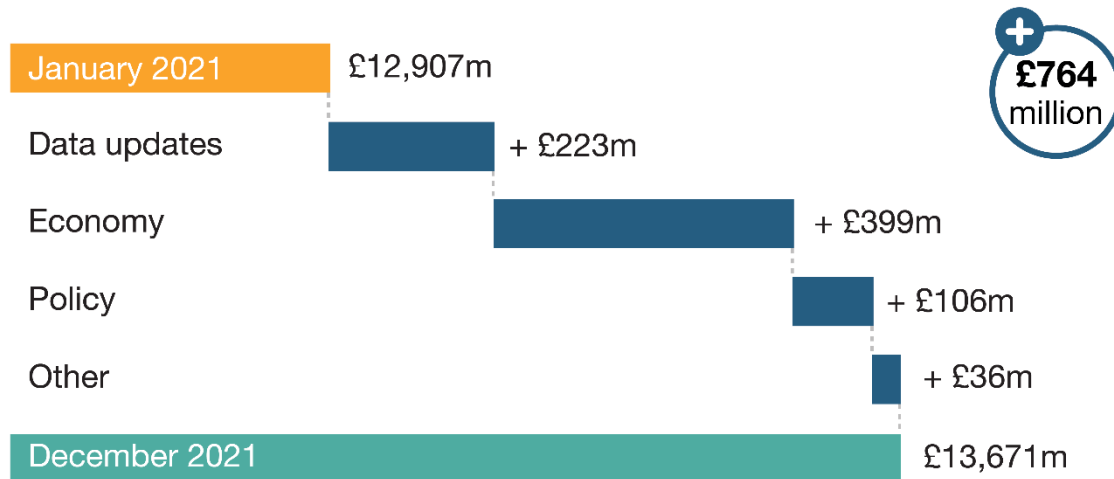
Full report <https://bit.ly/SEFF-Dec2021>



Average earnings forecast revised up, partly because of higher inflation



Income tax forecast for 2022-23 revised up since last Budget in January 2021

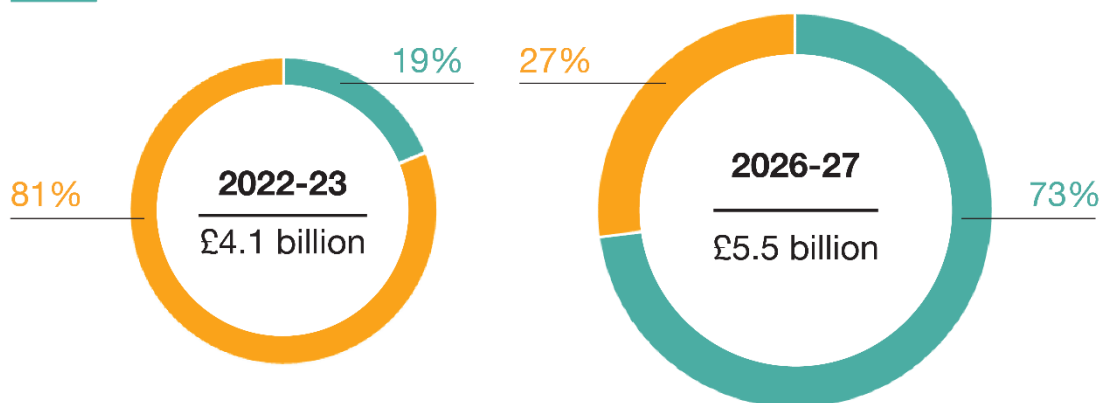




House price forecast revised up in line with household income



Social security spending



■ : UK Government policy

■ : Scottish Government policy



Number of children receiving Scottish Child Payment



2023-24:



£20.80 per child/per week

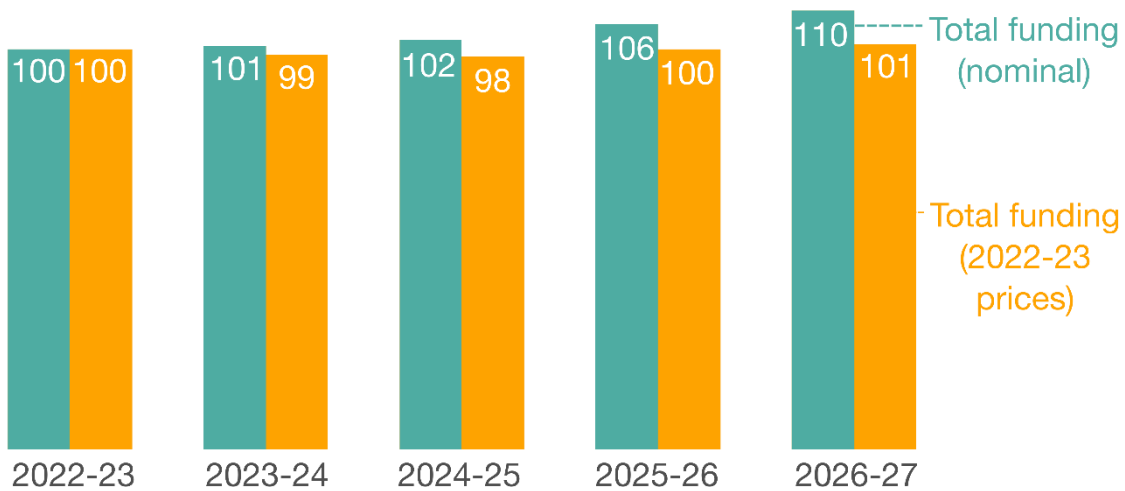
333,000 children will be receiving payment

Total cost: **£362 million**

- : Represents 10,000 children
- : Current policy for children under 6
- : Extension to age 16
- : Changes to Universal Credit
- : Higher take-up

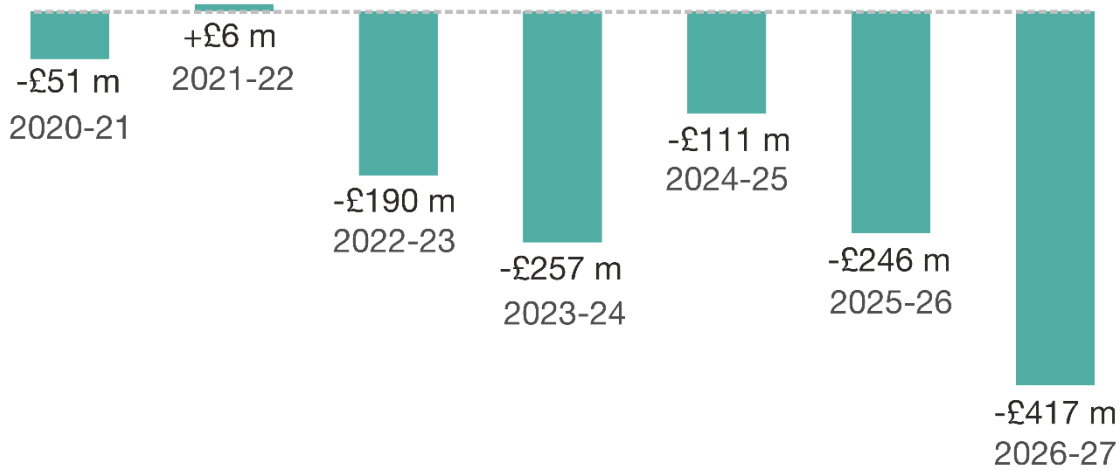


Expected Scottish Budgets flat after inflation

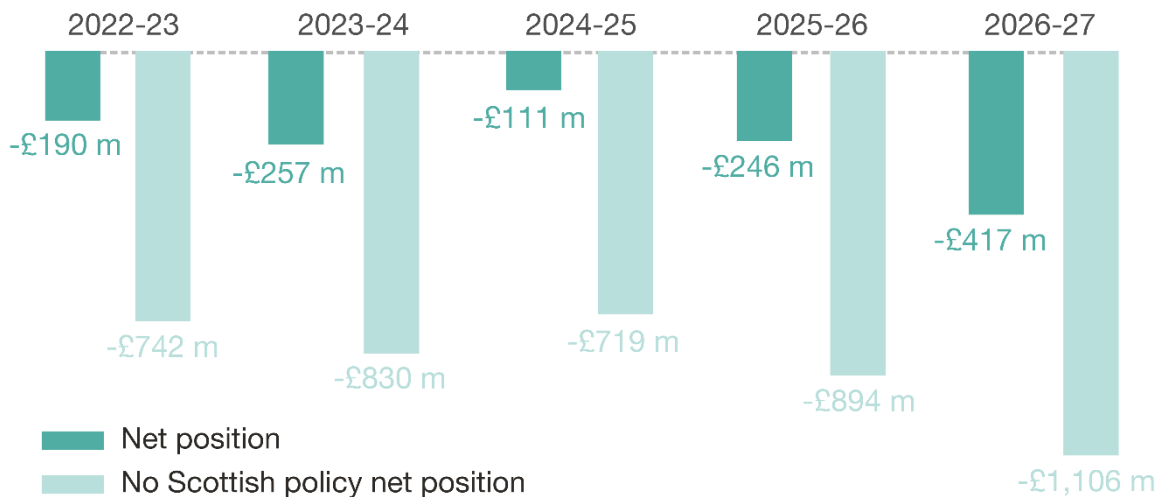




Income tax funding shortfalls forecast



Forecast income tax net position more negative after accounting for Scottish policy



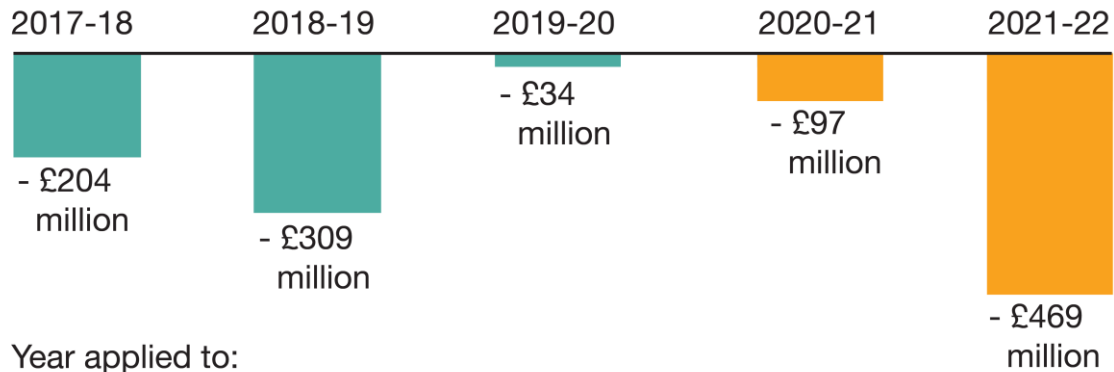
■ Net position
■ No Scottish policy net position



Indicative and final income tax reconciliations




Year tax collected:




Scotland's Economic and Fiscal Forecast

December 2021





Budget funding, £ million

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
 Resource and capital (latest position)	49,637	48,353	48,739	49,414	51,293	52,989




Economy, % growth

 Gross Domestic Product	10.4	2.2	1.2	1.3	1.4	1.4
 Consumer Price Index	3.3	3.7	2.3	2.0	2.0	2.0
 Nominal Average Earnings	3.8	2.6	3.0	3.2	3.3	3.4
 Employment	1.3	1.0	0.1	-0.1	-0.2	-0.2

Tax, £ million

 Income Tax	13,002	13,671	14,313	15,056	15,790	16,445
 Non-Domestic Rates	2,083	2,809	3,233	3,167	3,231	3,519
 LBTT	720	749	796	839	881	924
 Scottish Landfill Tax	123	101	83	85	70	18




Policy announcements

 Freeze 2022-23 higher rate income tax threshold		106	106	111	117	124
 2022-23 NDR Retail, hospitality and leisure relief		-56	0	0	0	0
 Set NDR poundage to 49.8p in 2022-23		-40	-43	-42	-41	-44

Social Security, £ million

 All devolved social security assistance	3,679	4,065	4,657	4,966	5,230	5,511
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Policy announcements

 Adult Disability Payment		38	233	358	458	567
 Scottish Child Payment rise to £20		103	184	183	185	186
 Other policy announcements	28	37	22	22	22	22